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Japan

DPRK Premier, Foreign Minister Make Stopover

OW0710113891 Tokyo KYODO in English 1124 GMT 7 Oct 91

[Text] Narita, Chiba Pref., Oct. 7 KYODO—North Korean Foreign Minister Kim Yong-nam called Monday for the "swift" and "total" removal of U.S. nuclear weapons from South Korea before Pyongyang will accept international inspections of its own nuclear facilities.

Kim, who serves concurrently as vice premier, made the remarks at a hotel press conference here during a brief stopover at New Tokyo International Airport at Narita.

He was accompanying Prime Minister Yon Hyong-muk in transit to Pyongyang from New York, where they attended the United Nations General Assembly after North and South Korea's simultaneous admission to the world body.

Kim told reporters North Korea "welcomes" U.S. President George Bush's recent announcement that Washington intends to slash its nuclear forces.

He said North Korea called for the swift implementation of Bush's proposals and said they should encompass nuclear weapons in South Korea. Washington and Seoul neither confirm nor deny the presence of nuclear weapons there.

But the foreign minister expressed concern over indications in Washington and Seoul the anticipated pullout of nuclear weapons from South Korea would only be a partial one.

Kim said a "comprehensive and total" pullout is what is needed to pave the way for a North Korean decision to agree to inspections of its nuclear facilities by the International Atomic Energy Agency (IAEA).

"If out of a thousand nuclear weapons in the South, only 999 are removed, leaving only one, the nuclear threat remains," the foreign minister said.

Kim also suggested North Korea's acceptance of international inspections is conditional on South Korea also agreeing to inspections, adding unilateral acceptance would be "against the spirit" of the Nuclear Non-Proliferation Treaty (NPT).

He said the presence of U.S. nuclear weapons in South Korea was the reason Pyongyang decided in the first place in September 1982 to accede to the NPT.

The treaty obliges its signatories to accept mandatory IAEA inspections.

Meanwhile, North Korean Premier Yon held a brief talk at the hotel with Japan's Social Democratic Party Chairman Makoto Tanabe.

Tanabe told reporters Yon said the agenda of talks on normalization of ties between Japan and North Korea should not encompass unrelated issues.

The reference was to Japan's demand North Korea account for the disappearance of a Japanese woman alleged to have been abducted by North Korea and forced to teach Japanese language and mannerisms to some of its agents.

Reiterate N-Weapons Stand

OW0710130791 Tokyo NHK General Television Network in Japanese 1000 GMT 7 Oct 91

[Text] North Korean—DPRK—Foreign Minister Kim Yong-nam gave a news conference at a hotel near Narita airport today and reiterated North Korea's position that in order for North Korea to accept nuclear inspections by the International Atomic Energey Agency—IAEA—nuclear arms of the U.S. forces must be removed totally from South Korea.

The North Korean foreign minister stopped over at Narita airport on his way back home after attending the UN General Assembly session in New York, accompanying Premier Yon Hyong-muk. The premier and the foreign minister met respectively with Makoto Tanabe, chairman of the Social Democratic Party of Japan [SDPJ], Hajime Ishii, chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship, and others, who were on hand at the airport to greet them. The meetings took place at a hotel near the airport. Foreign Minister Kim later gave the press conference.

At the news conference, Foreign Minister Kim, discussing the issue of North Korean acceptance of nuclear inspections, said: We welcome President Bush's proposal for nuclear arms reductions. However, there is information that U.S. forces in South Korea are going to deploy some 200 strategic bombers in an emergency action. Hence, we are concerned that the removal of nuclear arms might be only a partial one. In order for our country to accept nuclear inspections, nuclear arms of the U.S. forces must be totally removed from South Korea.

Meanwhile, at a talk held earlier between Premier Yon Hyong-muk and SPDJ Chairman Tanabe, the SPDJ chairman said he hopes that the Japanese-North Korean talks on the normalization of diplomatic relations will reach an early settlement, bringing about the normalization of diplomatic relations between the two countries.

In response, the North Korean premier said: We want to make efforts for the normalization of diplomatic relations between Japan and North Korea because it will be in the interest of both countries and be linked to peace in Asia. However, it is not desirable that questions not directly related to diplomatic relations are brought out, bringing the talks to a deadlock. Thus, he reiterated the North Korean view that the nuclear inspection issue or the question involving a Japanese woman named Yi Un-hye should not be linked to the talks.

Officials Welcome Gorbachev's Arms Cut Proposal

OW0610134691 Tokyo KYODO in English 1307 GMT 6 Oct 91

[Text] Tokyo, Oct. 6 KYODO—Japanese Government officials reacted favorably Sunday to Soviet President Mikhail Gorbachev's nuclear arms reduction proposal.

The officials said they hope the initiative would stabilize U.S.-Soviet relations and contribute to the peace and security of the Far East, Asia, and other parts of the world.

Gorbachev pledged Saturday to drastically cut the Soviet Union's nuclear arsenal and begin a one-year moratorium on nuclear weapons tests.

A Foreign Ministry official noted the Japanese Government had pressed the Soviet Union to respond "quickly and responsibly" to U.S. President George Bush's arms reduction plan in September.

"We welcome President Gorbachev's swift response," the official said.

However, he said the Gorbachev proposal requires close scrutiny to determine if it reduces Soviet military strength in the Far East.

"We will closely follow developments in U.S.-Soviet arms reduction talks," the official added.

Other ministry sources said the Gorbachev initiative has gone beyond the Bush plan in some areas, apparently because of the Soviet president's efforts to keep the initiative in military affairs in light of the increased autonomy of the Soviet republics.

See No Link With Security

OW0710034191 Tokyo KYODO in English 0323 GMT 7 Oct 91

[Text] Tokyo, Oct. 7 KYODO—The Soviet proposal to substantially reduce its nuclear arsenal will not have an immediate impact on Japan's security, the top government spokesman said Monday.

Chief Cabinet Secretary Misoji Sakamoto said Japan would continue to monitor developments, noting that further details of the Soviet plan are expected to emerge at a U.S.-Soviet summit.

"We are pleased that the Soviet Union has responded swiftly to U.S. President (George) Bush's courageous initiative," Sakamoto said.

"There is no immediate direct link with Japan's security. We will watch the situation carefully," Sakamoto told a news conference.

On Sunday, Prime Minister Toshiki Kaifu welcomed Soviet President Mikhail Gorbachev's proposal Saturday to slash dramatically its nuclear arms arsenal, and said he hoped that the United States would make a "correct" evaluation.

"I hope to see further progress" toward nuclear arms reduction, Kaifu said.

Bush on September 27 said he would eliminate all U.S. land-based tactical and short-range nuclear weapons, and withdraw tactical nuclear weapons from surface ships and attack submarines, and asked the Soviet Union to respond in kind.

Soviets Say Islands 'Historically' Japan's

OW0410172091 Tokyo KYODO in English 1653 GMT 4 Oct 91

[Text] Moscow, Oct. 4 (KYODO)—Reversing the Soviet Union's longstanding policy on four disputed islands, a senior Soviet Foreign Ministry official acknowledged Friday the isles historically belonged to Japan.

The official was referring to the sovereignty over Shikotan, Kunashiri, Etorofu, and the Habomai Group, that have been under Soviet control since the closing days of World War II.

The dispute over the islands off Japan's northernmost main island of Honshu has prevented the conclusion of a peace treaty between Tokyo and Moscow.

Japanese Foreign Minister Taro Nakayama is scheduled to visit the Soviet Union later this month to press for the return of the islands to Japan.

'Cautious Welcome' To Soviet Stand on Islands

OW0510093891 Tokyo KYODO in English 0848 GMT 05 Oct 91

[Text] Tokyo, Oct. 5 KYODO—Japan's Foreign Ministry on Saturday gave a cautious welcome to remarks by a senior Soviet Foreign Ministry official indicating that a group of disputed Soviet-held islands historically belongd to Japan.

"We believe Moscow has launched an enlightenment campaign toward the Soviet people on the territorial dispute with Japan," a high-ranking Foreign Ministry official said.

Oleg Ivanov, the Soviet Foreign Ministry's deputy chief in charge of Pacific and Southeast Asian affairs, said in an interview with KYODO NEWS SERVICE on Friday that his ministry has a diplomatic order given by the Russian Government in 1853 that acknowledged the islands belonged to Japan.

The current Soviet Union Government has become aware of the "objective fact," Ivanov said.

But the Japanese official, who refused to be identified, said, "we cannot decide immediately whether Ivanov made the remarks in his official capacity."

Other Japanese Foreign Ministry sources said Ivanov's remarks would not help the territorial negotiations between the two nations, noting Moscow has long claimed the country seized the four islands at the cost of Soviet soldiers during World War II.

The territorial dispute over Kunashiri, Etorofu, Shikotan, and the Habomai group off the northeastern tip of Hokkaido has prevented Tokyo and Moscow from concluding a peace treaty and has been a persistent thorn in bilateral relations.

The Russian Government gave the diplomatic order to a Russian envoy on February 27, 1853, during negotiations between Japan and Russia to conclude the treaty of commerce, navigation and delimitation, signed in 1855.

Ivanov said he has given the document to Konstantin Sarkisov, chief of the Soviet Oriental Studies Research Institute.

Sarkisov revealed the existence of the order in Friday's edition of the Soviet leading daily, IZVESTIYA.

Sarkisov also said he thinks the order indicates that the Soviet Union will acknowledge the four islands belong to Japan.

Japanese demands for the return of the islands, called the "Northern Territories" by Tokyo, were long ignored by the Kremlin, which had maintained there is no territorial dispute.

Moscow had insisted they are part of the Kuril Archipelago recognized as Soviet territory by the 1951 San Francisco Peace Treaty.

Japan To Provide USSR 'Untied' Food Loans

OW0510091891 Tokyo KYODO in English 0849 GMT 5 Oct 91

[Text] Tokyo, Oct. 5 KYODO—The government has launched a study on extending "untied" loans to the Soviet Union in its emergency food and medical assistance, government sources said Saturday.

The sources said a final decision on the issue will be made before a meeting of finance ministers and central bankers from the Group of Seven (G-7) industrialized nations in Bangkok next weekend.

Western aid to the Soviet Union will be one of main themes to be discussed at the G-7 meeting, they said.

The study stemmed from a report by a government mission sent to the Soviet Far East in late September, stressing the need for Japan to expand emergency aid for humanitarian purposes, the sources said.

The report, submitted to the government Tuesday, is believed to have proposed assistance of 200 million dollars.

The government's study will focus on how much of the money will be extended under an untied formula, which allows Moscow to purchase necessary goos not only from Japan but from other countries as well.

The sources noted that if tied loans are extended, the Soviet Union is required to buy grain and meat from Japan. But because Japan has no surplus grain and meat at present, the Soviets would find it hard to make use of such loans, they said.

Japan's pledge of a 100 million dollar tied loan in its emergency food aid to the Soviets has yet to be disbursed as Japan has little domestic produce to offer, the sources said.

They said the Foreign Ministry has proposed Japan provide a grant to the Soviet Union instead of a loan similar to the 1 billion yen grant to Moscow last year.

The Finance Ministry is opposed to the idea due to tight government finances, the sources said.

Decision Possible Before G-7

OW0710094791 Tokyo KYODO in English 0934 GMT 7 Oct 91

[Text] Tokyo, Oct. 7 KYODO—A top Finance Ministry official suggested Monday that Japan might propose to offer more than just humanitarian aid like supplies of food and medicine to the Soviet Union at the meeting of top finance officials from the Group of Seven (G-7) industrial nations expected to be held on the weekend.

The official, who spoke on condition of anonymity, did not specify the type of aid that might be offered.

He said Tokyo will make a decision on economic assistance to the ailing Soviet economy by the time Finance Minister Ryutaro Hashimoto meets U.S. Treasury Secretary Nicholas Brady on Thursday.

Japan will have made a decision before the Hashimoto-Brady meeting, the official said.

"I don't think offering mere humanitarian aid will suffice," he said, referring to reaching an understanding with G-7 nations.

Brady is expected to arrive in Japan on Wednesday on his trip to Bangkok to attend the G-7 meeting and the annual meetings of the International Monetary Fund (IMF) and the World Bank.

The official said Hashimoto is likely to tell Brady what Japan will offer in assistance to the Soviet Union, faced by a severe food shortage and growing difficulty in meeting its foreign debt repayments.

Nakayama To Assess Soviet Need for Aid

OW0610071391 Tokyo KYODO in English 0653 GMT 6 Oct 91

[Text] Tokyo, Oct. 6 KYODO—Foreign Minister Taro Nakayama will discuss emergency Japanese aid to the Soviet Union during meetings with Soviet President Mikhail Gorbachev and Russian President Boris Yeltsin in Moscow on October 14-15, Foreign Ministry sources said Sunday.

The sources said Nakayama considers Japanese aid should take into account the extent of Soviet progress toward democratization, prospects for economic reforms, including the introduction of a market economy, and the need for personnel to help tide over a possible food shortage in the winter.

They said aid and other issues will be discussed on the basis of five Japanese principles toward the Soviet Union that Nakayama outlined to Soviet Foreign Minister Boris Pankin at the United Nations in September.

These are the reinforcement of effective support and appropriateness of reforms, strengthening cooperation with the Russian Republic, helping the Soviet Union become a partner in the Asia-Pacific region, strengthening its links with international bodies, a solution to the territorial dispute over Soviet-held islands to Japan's north based on law and justice and the signing of a peace treaty.

The sources said while Nakayama appreciates some sectors in the Russian Federation who favor a 1956 Japan-Soviet joint declaration specifying the initial return of two out of the four islands as a step in the right direction, he is determined to press for the swift return of all the islands.

EPA Official on Economic Talks With Soviets

OW0710124691 Tokyo KYODO in English 1234 GMT 7 Oct 91

[Text] Tokyo, Oct. 7 KYODO—Japan's Economic Planning Agency (EPA) is planning to have dialogues with the Soviet republics on technological assistance, Tsutomu Tanaka, a councilor for economic planning at the agency said Monday.

Tanaka, who led a five-member mission to the Soviet Union from September 27 to October 4 and met mainly with economic officials in Moscow and the Russian Republic, said that the agency is eager to talk with other republics in the future.

During the visit, the mission and Moscow officials agreed to have academic researchers of both countries submit reports on a given economic theme and conduct joint research as early as next spring, Tanaka said.

He said he wants his agency to contribute to the Soviet Union on a wide scale, putting into use the economic experiences that Japan has had since World War II.

Tanaka said all the Soviet economists he talked to described the Soviet economy as being in a critical condition, with the market economy underdeveloped and a system for economic adjustment between the republics not yet in order.

From what he has seen, he said, the food shortage looks serious but he was told that the average household has stock to last between one and a half and three months and that many people are getting hold of food through barter exchanges.

Tanaka also noted there were encouraging signs, such as the setting up of commodity exchanges which should help towards establishing a brokerage system and boosting exchange of information.

Ministry To Boost Role in ODA Selection

OW0510151691 Tokyo KYODO in English 0838 GMT 5 Oct 91

[Text] Tokyo, Oct. 5 KYODO—Japan will assume a more active role in selecting aid projects to developing countries, the Foreign Ministry said in an annual report on official development assistance (ODA) released Saturday.

Addressing criticism that Japan's selection policy in its giant financial program has been too passive, the white-paper said that the government will solicit greater public support for the country's ODA program by clarifying why Japanese aid goes where it does and what factors are taken into consideration in the decision process.

The report suggested that Japan will assume a more active role in the discovery and formation of appropriate aid projects by boosting surveys and analyses of economic and social conditions and the economic plans and policies of intended recipient countries.

Japan's net disbursements of ODA to developing countries, multilateral institutions, and aid offered to East European countries totaled 9,222 million dollars in 1990, the Foreign Ministry said.

Japan stood in second place following the United States among 19 member nations of Development Assistance Committe (DAC) of the Organization for Economic Cooperation and Development (OECD).

But Japan's ODA/GNP ratio remained at a stable 0.31 percent, 12th place among the 18 nations, according to the ministry.

The report said while the country will continue to extend aid on a request basis, "that is not to say that, in actual practice, Japan will merely sit and wait for requests to come in."

The report also attempted to put a lid on persistent domestic and overseas criticism that Japan lacks a clear aid philosophy, laying out for the first time a comprehesive list of principles and guidelines.

It suggested aid policy consultations with developing countries are to be expanded and made more regular, and Japan will refuse to acceppt any proposals which do not meet its new criteria.

Japan holds annual aid conferences with 25 major aid recipient countries and sends a number of survey missions abroad every year.

A new aid policy announced by Prime Minister Toshiki Kaifu last April stipulated Japan will link future aid to recipient countries' military expenditures and arms trade, and to the issue of nonproliferation of weapons of mass destruction.

Kaifu also indicated that Japan's previously depoliticized aid would now be used as a diplomatic tool to promote democratization, establish market-oriented economies, and secure freedom and basic human rights.

The new four-point policy, however, also allowed the government a measure of flexibility in extending aid to such key countries as China, as it added Japan would take into account factors such as "bilateral relations with the recipient countries."

The report said that its previous reluctance to impose political or economic conditions on recipients had changed as "a kind of national consensus has evolved as a result of such developments as the Persian Gulf crisis and the reform process in Eastern Europe and the Soviet Union."

The report's guidelines also vowed to take into consideration possible adverse effects on the livelihood, culture and environment of residents near project sites.

The report said while a strong emphasis will remain on Asia—by virtue of historical, geographical, and economic links—Japan is broadening the scope of its aid to include other parts of the world.

The report also said the country's aid policy emphasizes supplementing the efforts of developing countries themselves in building their social and economic infrastructures.

The report also refuted criticism that loans are not a suitable form of aid.

It said Japan will consult closely with other donor countries, international organizations, local governments, non-governmental organizations, and the private sector.

Defense Agency: SDF Well-Suited To Help UN

OW0510094791 Tokyo KYODO in English 0917 GMT 5 Oct 91

[Text] Tokyo, Oct. 5 KYODO—The Defense Agency [DA] said Saturday Japan's Self-Defense Forces personnel are well-suited to assist United Nations peacekeeping operations.

The agency said its comments are based on a report submitted by a Japanese survey team which observed U.N. operations September 7-20 in Syria, Cyprus, and Israel.

The report said while U.N. peacekeeping forces are armed they refrain from using firearms as much as possible. In addition, firearms are removed from armored vehicles engaged in missions, the agency said.

In principle, the report added, U.N. peacekeeping forces are under the command of countries where they operate.

Personnel serving the U.N. force undergo extensive training, it said.

The agency stressed the need for Japan to dispatch peacekeeping personnel and commanding officers overseas to undergo training.

Watanabe Seeks Debate on Revising Constitution

OW0710102291 Tokyo KYODO in English 0953 GMT 7 Oct 91

[Excerpt] Tokyo, Oct. 7 KYODO—Michio Watanabe, one of the ruling party faction leaders hoping to succeed Prime Minister Toshiki Kaifu, called for public debate Monday on whether to revise the postwar "peace" Constitution.

The United Nations role in preventing international conflict is being reconsidered following the decline of the cold war, and Japan must discuss whether it will be able to join other nations if a U.N. military is formed, Watanabe told a news conference at the Japan National Press Club.

Japan's parliament is considering a bill that would allow the Self-Defense Forces to join U.N. peacekeeping operations, but require the military to withdraw in case the cease-fire breaks down.

The U.N. Charter provides for establishment of a militia under U.N. command that could intervene in international conflicts. However, superpower tensions largely prevented such cooperation.

While advocating an international role for Japan's military, Watanabe said Japan would continue to welcome the presence of the some 50,000 U.S. military personnel stationed here.

Japan's increased contribution to international peacekeeping would be acceptable to former World War II foes in Asia only if it is under the American or U.N. flag, said Watanabe, a former finance minister and leader of the fourth largest LDP [Liberal Democratic Party] faction.

Though it would be possible in theory to eliminate U.S. military bases if the Soviet threat is truly ended, it would also cause concern in Southeast Asia, he said.

Japan must make it clear it will never revive the aggressive expansionist policies that lead to World War II, he said.

Known internationally for a gaffe that insulted African-Americans, Watanabe, 68, said he had taken back a 1988 statement implying black U.S. citizens are financially irresponsible.

"I have absolutely no racial prejudice," he said.

On the territorial dispute with the Soviet Union, Watanabe said Japan should promote small-scale projects in order to foster friendly relations with the some 30,000 Soviet citizens living on the four islands off Hokkaido.

Large-scale projects are not necessary at present, he said.

He was unable to explain to reporters how his policies differ from those of rivals vying for the LDP presidency, such as former Finance Minister Kiichi Miyazawa, and conceded bureaucrats are responsible for a major portion of policymaking.

"The (candidates') nuances are different. The difference is whether (policies) are implemented or not," he said when asked to counter the charge that it makes little difference who sits in the premier's office because LDP politicians embrace similar policies.

"I think you'll understand the differences as the debate proceeds," he said.

Watanabe told a gathering joined by senior LDP parliamentarians earlier in the day he advocated selecting the next premier via elections, rather than backroom politicking. He also met separately with key figures in the largest faction of former Prime Minister Noboru Takeshita.

Support from the Takeshita faction will be a major factor in determining the next prime minister. In addition to Watanabe and Miyazawa, former Foreign Minister Hiroshi Mitsuzuka, head of the second-largest faction, has also entered the race. [passage omitted]

PRC Vice Premier To Visit 14-17 Oct

OW0710092891 Tokyo KYODO in English 0911 GMT 7 Oct 91

[Text] Tokyo, Oct. 7 KYODO—Chinese Vice Premier Zou Jiahua will visit Japan on October 14-17, the Foreign Ministry said Monday.

The ministry said Zou will meet with Prime Minister Toshiki Kaifu and other ministers, including International Trade and Industry Minister Eiichi Nakao, for talks on China's economic reforms and market-opening measures.

Zou will also participate in a Japan-China symposium on joint development of high technology to be held at a Tokyo hotel.

Emperor Returns From 'Historic' Asian Trip

OW0610115691 Tokyo KYODO in English 1137 GMT 6 Oct 91

[Text] Tokyo, Oct. 6 KYODO—Japanese Emperor Akihito and Empress Michiko returned home Sunday night from a historic 11-day trip to Thailand, Malaysia, and Indonesia.

During their tour of the three members of the six-nation Association of Southeast Asian Nations (ASEAN), the imperial couple repeated Japan's pledge not to become a military aggressor.

Emperor Akihito became the first Japanese monarch to visit the region.

Kaifu Holds News Conference on 5 Oct

OW0510111491 Tokyo NHK General Television Network in Japanese 0602 GMT 5 Oct 91

[News conference by Prime Minister Toshiki Kaifu with the Cabinet Press Corps at the prime minister's official residence in Tokyo—live; questions are asked first by an unidentified dean of the Cabinet Press Corps and then by unidentified reporters]

[Text] [Dean of the Press Corps] Thank you, Mr. Prime Minister. We would like to have the news conference with the Cabinet Press Corps begin. If you have any statement to make, we would like to hear that first. After that, I would like to present questions as dean of the Cabinet Press Corps on behalf of the corps. After that I would like to have corps members ask their questions freely.

[Kaifu] To look back on the past, in August two years ago the Liberal Democratic Party [LDP] was in a crisis which was said to be the worst in the party history, and thus the Kaifu cabinet came into being. Starting its work from the bottom, its major task was to carry out politcal reforms and to regain the trust of the nation. I believe I have done my very best during the past two years. In the course of that time, there have been various changes in the situations at home and as well as abroad. Confrontation between the East and the West has ended, and the cold war has come to an end. Japan has started to cooperate with the East European countries which used to be on the other side of the Iron Curtain.

At the two summits that I attended, I had opportunities to present in full the positions of the Asian and Pacific region. We were able to host a Cambodia peace conference in Tokyo, and succeeded in agreeing to switch the Japan-ROK relationship from one based on a reflection on the past to the future-looking one based on the correct recognition of history. The switch will be implemented on the basis of the five principles. Japan-DPRK negotiations for the normalization of relations have also begun.

During that time in Japan, a 57-month-long economic expansion, comparable to the Izanagi boom [September

1965-April 1970], has continued. The figures most important to family heads and mothers—namely, the commodity price hike and unemployment rates—have remained at the 5 percent level with the two combined. Japan has been able to maintain a position of being an honorable student among world nations.

I admit there has been a shady side of it, too. As you know, as a result of financial policies backing up the economy, there have been problems with land and stock prices. But we have, until the last moment, made endeavours to come up with measures dealing with those problems from the viewpoint of ensuring fairness in society, and we succeeded in having the Security Transaction Bill passed during the Diet's last session.

From the belief that Japan must make positive contributions to issues related to the international community and that Japan should share what burdens it can in creating the framework of a new world, we have introduced in the Diet a bill for cooperation in the UN peacekeeping operations.

To look back on all of these, I have done my best, but the regret that what remains is that the political reform bills have been scrapped. When the LDP General Council arrived at a decision on them, the concept was to have them presented to the Diet, and then by allowing active debates on them seek the understanding of the people. I explained the bills to the general session of the Diet for three consecutive days, which is quite extrordinary considering the nature of the bills. I also responded to questions at the Diet committee for three consecutive days. There were questions from 25 Diet members, if I recall correctly, 13 of them LDP members. There were debates from all possible standpoints, and these were active debates. I responded with sincerity in the hope that the understanding on the bills would be promoted through such debates, but you have seen the result of my efforts.

I tackled the political reform issue with indomitable resolve, but it met with the afroementioned result. I do not want the fire for the reform to be extinguished; I want it to continue to burn. Even though the bills have been scrapped, the fire for the efforts must continue to burn. Fortunately, thanks to the efforts of the Diet speaker, the Political Reform Deliberation Committee was formed. I think the LDP must return to the starting point of the political reforms and must recall the crisis the party was in at the time when it agreed on the outline of the political reforms. It is my strong hope to entrust a new leader with the task of realizing these reforms.

These are my frank feelings looking back on the past two years.

[Dean of the Press Corps] It is said, Mr. Prime Minister, that you informed Komoto faction's chief yesterday about your intention not to run in the party's presidential election. At present, your popularity rating is very high. Why did you decide not to run?

[Kaifu] I might have spoken too much earlier. The political reform has been discussed for the past three years. After the outline for it was formulated by the LDP, over 300 meetings were held before coming up with the bills. Fully recognizing that this reform was most important for the cabinet, I tackled it with an indomitable resolve. I submitted the bills to the Diet, and active discussions were held on them. However, the result was that they were scrapped, as you know. If this issue is left as it is, the political reform will disappear. I feel a serious sense of crisis. The fire for the political reform must continue to burn. It is my strong hope that a new man will accomplish this with a new resolve, as well as tackle other issues which need to be handled. It also is one of the political reforms to clarify responsibility and to draw a clear line. I do not have much time left with my term, but I want to complete my responsibility by continuing to work on issues, domestic and foreign, during the remaining period. That is how I feel.

[Dean of the Press Corps] I see. There are people who think that for the fire of political reform to continue to burn, it is desirable for you to continue in political power.

[Kaifu] There may be various views, but this is my own decision. You referred to my popularity rating. To be frank, what encouraged me and made me go on even in the most difficult times was the support of the people. The message was that they recognized what I was doing and that I must continue with my endeavors. I would like to take this opportunity to thank all the people of the nation.

[Dean of the Press Corps] As a result of your efforts, an organization for consultations between the ruling and opposition parties has been set up. Mr. Prime Minister, can you comment on this and give us your outlook in this regard?

[Kaifu] I talked with four executives of the party and worked with them. I met with members of all parties on the steering committee, and also the general secretaries of all parties, explaining to them that if this issue ends simply with the scrapping of the bills, it would mean not meeting the expectations of the people and the members of the Election System Review Committee representing all academic fields, who have put so much effort in their studies on the question over the past two years. The people of the Secretary's Office also have made such efforts in the hope of having the reform realized. Political reform is not something that can be stopped just because the bills were scrapped. This is something that must be accomplished. The issue of political funds, the issue of establishing political ethics, the issue of coming up with an election system that will require only a reasonable amount of political funds—all these are issues that need to be resolved.

I hope that the committee for consulations among the parties, which was formed at the request of the speaker, will review all these issues from different angles and different dimensions, will discuss them as a concrete concept, and then have them carried out. Without having that done, we cannot respond to the call of the times. This is a serious issue. That is how I see it.

[Dean of the Press Corps] In the course of the scrapping of the bills and the establishment of the committee, you made a remark about an important decision. The remark sent ripples throughout the party. I would like to ask you about the true intent of speaking about the important decision.

[Kaifu] What I meant by the important decision was just that—an important decision. Please accept it as it is.

[Dean of the Press Corps] An important decision is interpreted as the holding of a general election after dissolving the Diet, or as the cabinet resigning en masse. What you meant was one of these actions, right?

[Kaifu] It was just an important decision.

[Dean of the Press Corps] Well, then, Mr. Prime Minister, you decided to dissolve the House of Representatives, based on this important decision. That is what several members of the cabinet have said. In the course of arriving at that decision, did you consult with some people, or did you really formulate that decision alone? Will you dwell on that point?

[Kaifu] Many things happened. But these are things that I will keep to myself. There is nothing to tell you in this regard.

[Dean of the Press Corps] Can you tell me if there was a decision made at all in this regard? Can you confirm this as a matter of fact?

[Kaifu] An important decision made is an important decision made. I am sorry, but I already have "tucked everything away in my bosom," as you see. There is nothing I can tell you about here.

[Dean of the Press Corps] Does this mean that the fact that you had consulted with several people within the party before arriving at that final decision also has been stored away in your bosom?

[Kaifu] The fact is that I made an important decision as a matter of substance. All the things leading up to the decision have been stored away in my bosom. Therefore, I have nothing to say here.

[Dean of the Press Corps] Regarding the important decision, influential people within the party criticized you, saying that you wavered in your determination. They charged that this meant that you lacked the quality of a leader. Do you think, personally, that you wavered in the important decision?

[Kaifu] When I was first named the party president, I accepted it as the mission given to me by the requirements of the time. I have continued to work in the belief of this mission. Since the bills were introduced to the Diet and I was questioned by 17 Diet members at the general session of the Diet for three consecutive days, which was rather extraordinary, I have been very serious in the desire to somehow push them through. I have never once wavered from the moment I made the important decision.

[Dean of the Press Corps] Then, that means your mind has never changed.

[Kaifu] You are correct.

[Dean of the Press Corps] Mr. Miyazawa, Mr. Mitsuzuka, and Mr. Watanabe—these three people announced today their intentions to run in the next party president election. Regardless of who will win, can you tell us if there is something you want the next cabinet to take over, or some advice you want to leave—for instance, possibly, the strengthening of the functions of the cabinet?

[Kaifu] As I said earlier, the LDP prepared the outline for political reform amid the most serious crisis since its inception. I have been carrying out my duty from the start—the original point at which we set the task—and I have never forgotten it. The new leader must inherit this task and accomplish it at all costs. Therefore, I hope that the new cabinet will unfailingly achieve the set of political reforms—the establishment of political ethics, the reform of political funds, and the reform of the electoral system. This is the first point. The second is that there has never been a time in the past when an equitable and mentally comfortable [kokoaro yutakana] society has aspired to do as much as we aspire to today. The revision of the Securities Exchange Law was prepared to put our equitable society in good order. To build a mentally comfortable society, reforms in various areas are necessary. For instance, I said that a boom equal to the 57-month-long Izanagi prosperity is continuing today with the result that, in terms of the nation's life, price indexes and employment figures are such that our situation equates to that of an honor student when compared with other countries. By all means, I hope this continues, but the question of workforce employment has already cropped up. From a medium- and long-range perspective, there is not only the question of the work force, but also the question of a lower birth rate. The breaking of the bubble economy is good in some respects, but it also affects other sectors of the economy. Thorough consideration must be given to the stability of the social economy and the national life. This also is what I want the next cabinet to take over from me.

Furthermore, the cold war era has ended and the world is now groping for the creation of a peaceful, new order. I believe that it is still progressing even now. The United States recently demonstrated unilateral initiatives regarding nuclear arms, and the Soviet Union immediately accepted their proposals. This will affect all other nuclear powers. I believe that this is a wonderful thing which will be conducive to world peace and stability. For its part, Japan should actively cooperate in creating the new framework for the international community. Up until now, Japan has been cozily staying in a corner, saying: We will not annoy others; we will firmly take care of ourselves; and we will work hard, breaking into a sweat. But this is not enough. Japan is a member of the world community and it lives together with the world. Therefore, what should Japan do for the international community? In the past, I have often used the word contribute. Nevertheless, when dealing with the international community and holding debates at summit talks, I acutely felt that this word, contribute, may give others the impression that Japan is somewhat distant. Bearing Japan's share of responsibilities—I believe that this is necessary for showing a Japan that lives together with the world in terms of actual deeds. I feel this very keenly. There are things that Japan can do and those it cannot, but Japan should actively be going into the center and bearing its share of responsibility when it comes down to what Japan can do. Japan must voluntarily proceed toward this kind of international state. In very general terms, these are the three things I want to turn over to the new leader.

[Dean of the Press Corps] I want to bring up the question of crisis management, as during the Gulf crisis. The Ad Hoc Council on Administrative Reform presented a package of proposals along these lines, but what are your thoughts about the cabinet functions to cope with crises?

[Kaifu] Frankly, I hope that the government's capabilities to gather accurate information, analyze it, and make predictions about what will happen will be strengthened by all means. They should be strengthened. In connection with the peace cooperation issue, the government has strengthened its organization in various ways, such as strengthening the cabinet's investigative functions and liaison among various ministries and agencies. Nevertheless, I feel that, no matter what, absolute manpower has fallen short. Therefore, I am afraid that it is necessary to secure personnel in terms of numbers.

[Dean of the Press Corps] The Ad Hoc Council on Administrative Reform and other groups pointed to the so-called ill effects of the top-to-bottom adminstration. I do not know if you will find it awkward to talk about it, but what was your impression of it?

[Kaifu] Regarding the top-to-bottom administration, as interdependent relations have increased in the international community, it is about time that, instead of being excessively top- to-bottom, personnel exchanges and exchanges of information or tasks are carried out under a large net, like a project team. Therefore, frankly, these things should be reconsidered. Subjects relating to the international community concern various ministries and agencies; theresore, ministries should consider those aspects. As far as the cabinet is concerned, as I stated in the beginning, I believe that the cabinet should gather accurate information promptly and in large quantities, and see to it that the information is analyzed properly without mistakes.

[Dean of the Press Corps] Then, I will go over to the next question. Mr. Prime Minister, from your viewpoint what are the qualifications or qualities necessary for the next prime minister? The people are still strongly allergic to the Recruit scandal. I do not know if it was by coincidence or not, but the three gentlemen who announced their intentions to run in the presidential election today all were implicated in that scandal. What do you think about this?

[Kaifu] The people desire the establishment of political ethics. With a scandal involving relations between politics and money as a start, we are now trying to achieve political reform as I mentioned initially. Therefore, I will state frnakly that they should accept the criticism for that. There are many qualities required of a politician but, regarding the relationship with the Recruit case which you specifically asked about, I believe that the individual Diet members in question were baptized through election by the eligible voters in their respective constituencies in the House of Representatives election last February—I mean February last year. I have been maintaining to date, however, that, because it is the starting point for political reform, it should not be forgotten that only the achievement of political reform will mark the close of this case for the party. Therefore, I believe that, on the party's part, the achievement of political reform in secure and concrete ways will mark the end of the situation.

[Dean of the Press Corps] This will be my last question. You have held the prime minister's office for two years and two months now, and there is still time left before the end of this month arrives. How did you find the prime minister's chair? Was it comfortable to sit on or was it very uncomfortable?

[Kaifu, laughing] To be frank, I had no leisure time to think whether it was comfortable or uncomfortable. There have been mountains of difficult issues both at home and abroad, and I had to give my all and do everything in my power to address them. So, I must reply that I had no spare time to decide if I liked it or not.

[Dean of the Press Corps] This concludes questions from the dean.

[Unidentified reporter] Mr. Prime Minister, thank you for the trouble. You have just talked about the qualities of politicians who have set their sights on the post of the next prime minister and party president. Now, looking back on the course of your holding the reins of government over the past two years and two months, you must have felt ashamed deep in your heart when your leadership was made an issue. What are your thoughts about the leadership qualities of a politician?

[Kaifu] As far as I am concerned, I believe that I carried through my various tasks in my own way. I do not know if methods and the ways of criticism differ depending on different people. But I, Kaifu, passed clear judgment on what Japan can do and what it cannot and, at the same time, I maintained that we must step forward actively when it comes to something that should be carried out by Japan. A few days after the lower house election was over in February last year, for example, I received a call directly from President Bush. He proposed that we meet on the West Coast because he was planning to go there in less than a week. At that moment, I took out my pocket book and decided on the spur of the moment that it would be possible for me to make a quick trip for one night and three days. So, I told him: Okay, I accept your proposal; let us get together. I believe that the Foreign Ministry officials at that time were very much surprised and worried, but at a moment like that, I made a decision to accept his proposal readily and to go and meet face to face.

When Iraq invaded Kuwait, I was strongly determined that it must not be forgiven from the viewpoint of international justice. So, I proposed to impose economic sanctions one day before the United Nations adopted its resolution. Of course, we had detected such moves of the United Nations in advance. Some advised us to wait a little longer, but I gathered all my cabinet members and carried it out. On each development of the situation I made a judgment and carried out the policy after making a decision on my own. I believe that this kind of thing must be practiced at all times. I believe that this is important for a politician.

[Unidentified reporter] Mr. Prime Minister, I am sorry to return to the question you already have mentioned, but when did you ultimately make up your mind to turn over your chair to the next leader, and what was the occasion?

[Kaifu] I have been saying that I would grapple with important domestic and foreign issues to the best of my ability till the end of my term of office, and I would not think at all about anything ahead of that. To reporters who persistently asked me about that question in the hallway, I honestly continued replying in this manner. It was my heavy responsibility to put political reform on the right track and pave the way for it. During my term of office I was assigned to carry this out before anything else; it was predetermined at the time I began my tenure and I inherited it the task. Therefore, I always kept saying that I would address political reform with an indomitable resolve. Whenever you asked me, I kept replying that there is no change in my determination to come to grips with this as my most important task. Therefore, when the political reform met its end, as the press noted with stern comments, I believed that I naturally should hold myself responsible. I believe that feeling a sense of responsibility is one of the important questions in the political reform.

[Reporter] Do you mean that you made the decision on 30 September, when the bills were virtually killed?

[Kaifu] I have noted that we must appropriately pave the way for political reform in order to keep the flame of political reform burning. Because of my decision, I cannot just say good-bye following the Diet's rejection of the bills; we must not let political reform vanish like a bubble. I have been working on political reform on the basis of the important decision to pave the way for reform and to keep the flame burning. Fortunately, the political reform council was established eventually on a proposal by the lower house speaker so that we can continue discussions on this topic. We should keep the flame burning and constantly carry out political reform. To achieve that goal, I am going to hand over the reins of government, strongly expecting my successor to carry it out by all means. The most important thing is to make a concentrated effort to carry out political reform. We should do this in order to revitalize the LDP. This is my belief.

[Reporter] As you mentioned earlier, you have strong public support. In fact, such strong support partly reflects the public demand that you implement political reform. Taking this into account, did you consider making an appeal to the people's confidence?

[Kaifu] I am not going to say a lot about it because, as I said earlier, I have tucked everything away in my bosom. The establishment of a consultative body will enable parties to continue discussions in order to keep the flame burning. We should report this to former LDP officials and former cabinet members who were in charge of drawing up the Political Reform Outlines of 1989. We should strongly request them to remember the starting point and to carry out political reform. Taking this into account, I made the decision to establish political reform.

[Reporter] It appeard that the political reform bills faced strong resistance in the Diet partly because of deep-rooted opposition among LDP members. While you said that you hope your successor completes the political reform, many LDP members still stand against it. What is your comment on that point?

[Kaifu] I used to serve as a member of the party's Political Reform Promotion Headquarters. At that time, I made campaign tours all over the nation as an official in charge of mass education. The Political Reform Outlines were drawn up and approved during that period.

We had hot debates before finalizing the general plan for political reform last May, but the plan was determined through the due process of the party's decision-making procedures. Since the government was authorized to present the political reform bills to the Diet, we provided an outline of the bills in order to obtain party approval following thorough discussions. I went to many cities to explain the bills to the public, and traveled overseas with party members to study foreign election systems, all on the advice of leaders of various circles. I asked everybody to discuss what they considerd to be a desirable election system, and what is wrong with and how we can change the existing system.

Our conclusion was that the public entertains antipathy toward the ill-defined relations between politics and money. At present, politics are excessively money-consuming. Thus, we should pursue less expensive politics. The necessary political funds should not be raised by individual politicians, but by the parties themselves. We may ask for governmental support for political funds because the flow of political funds would become clearer when political activities are acknowledged as public activities. In that case, politics will become much less money-consuming.

Parliamentary democracy is established on the basis of party politics. Because several candidates supported by the same party must fight each other in the same election district, they are forced to rely on personal ties and supporters' associations which make political activities extremely expensive and which decrease the chances for policy-oriented election campaigns. LDP members have discussed this topic hundreds of times. Moreover, I gave some LDP members the chance to discuss various opinions in the Diet because I thought the issue should be discussed thoroughly. While I was supposed to say the issue already had been settled through party discussions, I sincerely answered their questions even after that.

Therefore, I hope that the next leader will keep the flame burning and do his best to carry out political reform in accordance with party resolutions after thorough discussions.

[Reporter] I believe that it has been debated persistently that the Kaifu administration is under the control of the Takeshita faction. The Kaifu administration has been reported to be under its control, and commentators say that in the background of the latest development was the Takeshita faction's decision to drop its support for your reelection. What do you think about the comment that you have been under the control of the Takeshita faction?

[Kaifu] I think there are a variety of views. I have never thought that I have been dominated by a specific faction. At the same time, I believe I enjoyed the cooperation of various quarters of the party as well as people of various positions. However, as a matter of reality, democracy is politics based on the principle of majority rule. Politics are dictated by a majority vote and the voice of a majority. At each strategic point in the operation of the Diet, you have to ask for the cooperation of the forces that occupy a majority in the Diet—the secretary general or Diet Policy Committee chairman, for instance. This is the reality. Therefore, if there has been criticism of that process, I think it was inevitable.

[Reporter] Mr. Prime Minister, I want to ask you about diplomacy. You have sometimes explained to the United States that, because you are staking your political fate on poltical reform, you have no room to tackle the Uruguay round talks centering around the rice issue. Now, when you pass the baton on to the next leader, how far will you be addressing such difficult diplomatic issues? President Bush's visit to Japan is just around the corner, too.

[Kaifu] Please wait a minute. I am sorry because I may sound like retorting, but I have never once said that I am too busy, too occupied with political reform, to address that sort of issue. If you think that way, I will take this opportunity to ask you to correct it. I said at both the Japanese-U.S. summit talks and the G-7 talks that Japan grew within the framework of the world's multilateral free trade system, and, in a sense, Japan has benefited most from that system. Therefore, Japan must cooperate and help bring the Uruguay round of the GATT to success. I have continued in saying that. At the news conference following my talks with President Bush at his Kennebunkport villa—where I am sure you gentlemen were present—I mentioned exactly the same thing. What I convyed to the U.S. side is that there are importers and exporters in the world, and that Japan is the world's largest importer. For example, Japan is importing $18 billion in agricultural products from the United States—I mean $10.8 billion of agricultural products. Japan is also importing as much as $24 billion of agricultural products from all over the world, and is the largest importer of U.S. farm products. At the same time, rice is Japan's basic provision. I believe that various considerations are necessary for this basic provision. In a rare instance, Japan never thinks of exporting its rice. Japan already is limiting its domestic rice production by 30 percent. Because of that, peasants also have had a bitter experience. There are many difficult problems encompassing agriculture—export subsidies and the waiver clause facing the United States or the EC, for instance. Let us place them on the common table and, while all parties discuss these difficult issues together, find a way of reaching a common understanding on the rice issue. Even if Japan is told to completely liberalize at once and to introduce tariffs immediately, it will be impossible for Japan to accept that. A framework is necessary that gives consideration to Japan's position as a food importer and its food security—please let me use the word security because it is in use. I maintained this position at the summit talks, and the summit declaration states that efforts will be made for the success of the Uruguay round within the framework that gives consideration to this area. On that point, and in accordance with a basic agreement that I have quite recently reached with the minister of agriculture, forestry, and fisheries, the government is now making efforts to find a way of reaching mutual understanding and consent for the success of the Uruguay round. I hope that you will please understand that point.

[Reporter] This question also is related to foreign affairs. Japanese-Soviet relations—with the Nakayama concept playing a part here—have reached an important turning point. I believe that there has been much development in this area during your term. Do you foresee any problems in diplomacy with the USSR based on the Nakayama concept? Can you tell us on how we should view Japanese-Soviet relations.

[Kaifu] Japanese-Soviet relations are one of the areas I poured much effort into. During talks with President Gorbachev in April, I met with him six times for a total of around 14 hours; President Gorbachev later called the talks a long summit that should be recorded in the Guinness book. As a result, it became possible for the names of the four northern islands to be clearly mentioned in the statement. I believe that the listing of the names of these four islands—the question of which is waiting to be settled—should be recognized as noteworthy. But there was no agreement as to when and how the question should be settled.

Then, as we were thinking about the need to make further efforts in this regard, there was the failed coup d'etat against President Gorbachev in August. While things were happening one after another, there were reports that indicated the Russian Republic was seeking jurisdiction over the territories issue. While the coup was still in progress, I asked if I could make a phone call to Russian Republic President Yeltsin. The Japanese Embassy in Moscow worked on it, and subsequently—I believe that it was on 21 August—I was able to talk to him. At that time I was informed that the republic's power would increase.

More recently Khasbulatov, acting chairman of the Supreme Soviet of the Russian Republic, came to me with a personal letter from President Yeltsin. Mr. Yeltsin's letter—as he had said at the time of our phone conversation—expressed his desire to promote dialogue between the Russian Republic and Japan. The letter continued, suggesting that the two countries converse not as a victor nation and a defeated nation, but as equals based on law and justice.

Even though they have been small, I feel there have been some changes. At the time of the July summit, President Gorbachev asked to see me in advance. Following the announcement of the joint statement between Japan and the Soviet Union, the ice has been moving in the Russian Republic. The question is whether the ice has been moving on the Japanese side, too. The purpose of the joint statement was to proceed, first of all, with the work of concluding a peace treaty after resolving the territorial question; this purpose needs to be pursued. At this time I have asked Foreign Minister Nakayama to visit the Soviet Union with personal letters from me. We have to communicate with both the Russian Republic and the Soviet Union. When President Gorbachev visited Japan, the foreign minister of the Russian Republic accompanied him. While we have yet to see what rights the republic will have as a result of the conclusion of a new Union treaty, it is certain that we will have to talk with both of them.

The Soviet Far East portion of the Russian Republic, being geographically close to Japan, is an area of concern to us. We had a survey conducted on the area to determine its needs as regards emergency food aid commodities and medical supplies during the forthcoming winter. As you are aware, because it also is a border area, the Soviet Far East has received emphasis in the past only in the military industry; daily necessities like food have been supplied from the central area. That being the case, the situation there is now particulary serious. On the other hand, if the emergency aid in food and medical supplies are provided by Japan, the Russian central government does not have to send it to them. Hence, the supplies eventually will serve as aid for the whole of the Russian Republic.

There also is an agreement on expanded equilibrium. Within the extent possible, Japan will do its best to aid the Soviet Union this time. Finance Minister Hashimoto will be attending the G-7 summit. There probably will be a proposal to provide aid within the international framework. Japan will propose providing emergency aid to the Far East area since it already had its survey team do a survey there. Through such steps, I hope that a new atmosphere in Japanese-Soviet relations will be created. Recently there have been remarks from a number of Soviet officials enabling us to have high hopes on the territorial issue. I strongly hope such views will be reflected accurately in negotiations on the peace treaty. Japan will have to make efforts, too. I have asked Foreign Minister Nakayama to do his best in his final important mission. I have asked him to do his very best until the last day he holds office.

[Dean of the Press Corps] No more questions? If so, I would like to have this news conference closed. Thank you so much.

[Kaifu] Thank you.

Kaifu, LDP Officials Seek Party Cooperation

OW0610090391 Tokyo NHK General Television Network in Japanese 1000 GMT 5 Oct 91

[Text] Following his news conference, Prime Minister Kaifu and the four top executives of the ruling Liberal Democratic Party [LDP], including Secretary General Keizo Obuchi, met at the prime minister's official residence to discuss ways to cope with the current situation.

At the meeting, Prime Minister Kaifu called for the party's cooperation, saying that he wants to carry out his responsibilities until the very end of his term as the party president.

In response, Secretary General Obuchi and other executives confirmed that the government and the ruling party will unite to help him fulfill his responsibilities until his term expires at the end of this month.

Race for LDP Head Moves Into 'Full Swing'

OW0510130291 Tokyo KYODO in English 1236 GMT 5 Oct 91

[Text] Tokyo, Oct. 5 KYODO—The race for the presidency of the ruling Liberal Democratic Party (LDP) went into full swing Saturday with three party faction leaders declaring their candidacies, while Japan's popular Prime Minister Toshiki Kaifu formally bowed out.

In the starting blocks were former Foreign Minister Hiroshi Mitsuzuka, 64, former deputy Prime Minister Kiichi Miyazawa, 71, and former Finance Minister Michio Watanabe, 68.

Meanwhile, the largest faction headed by former Prime Minister Noboru Takeshita was deliberating over which candidate to back, after giving up plans earlier in the day to field its own member, faction sources said.

Winning the support of the 105-member Takeshita faction is expected to be a deciding factor in the race. Kaifu bowed out Friday, having lost the faction's support following an ill-fated attempt to rescue his political reform program, which was canned by parliament earlier in the week.

The prime minister told a news conference Saturday he hoped his successor, who will take over October 31, would continue to pursue political reforms, as well as efforts to increase Japan's contributions to international peace.

Early indications were that former Finance Ministry bureaucrat Miyazawa had the greatest chance of winning the Takeshita faction's blessing, followed by Watanabe, a former local assemblyman. Faction sources said a final decision is expected around October 10.

Miyazawa, leader of the third largest faction, told his 82-member following that if elected, he would follow through on political reforms and also rush to pass into law a bill allowing Japan's military to join U.N. peacekeeping forces.

Party-wide elections will be held October 27 if two or more candidates register October 19. In the past, party leaders have been more often selected by backroom politicking than by election.

The LDP president automatically becomes prime minister by virtue of the party's comfortable majority in the House of Representatives.

Only four prime ministers have been elected to office in post World War II period. The last was Kakuei Tanaka in 1972.

Mitsuzuka, who took over the faction in June following the death of its leader, former Foreign Minister Shintaro Abe, asserted in Sendai, his home constituency in northern Japan, that he would register as a candidate without fail.

He also sought support from the Takeshita faction. Mitsuzuka hopes to gain advantage from the strong personal relationship between Takeshita and Abe. Had Abe not died, he was certain to have won Takeshita's support for the presidency.

The Takeshita faction, however, is unlikely to back Mitsuzuka because he has not been able to consolidate his control over the 89-member faction.

If Mitsuzuka drops out, though, he could also come under fire from other faction members for going back on his word, a source close to the faction said.

Watanabe told his 70-member faction that he would put priority on Asia and seek to turn Japan into a more "honorable" nation in the international community.

Japan is seeking a statesman with "foresight and leadership" to create a "new world nation Japan," he said.

Watanabe has in the past muddied Japan's image in the United States by suggesting that African-Americans are financially irresponsible.

His 1988 comments provoked a letter of protest by the U.S. Black Congressional Caucus to then Prime Minister Takeshita.

Both Watanabe and Miyazawa said they were confident that their association with the Recruit stocks-for-favors scandal in 1988 would not harm their candidacies.

The two presidential hopefuls kept a low profile following the scam, which led the party to turn to little-known Kaifu to help clean up its tainted image.

All candidates have spoken of promoting Japan's contribution to secure international peace. Their policies also coincide on attaching importance to ties with the United States.

Takeshita Not To Field Candidate

OW0510042791 Tokyo KYODO in English 0354 GMT 5 Oct 91

[Text] Tokyo, Oct. 5 KYODO—The largest faction of the ruling Liberal Democratic Party [LDP] on Saturday abandoned its chance to field a candidate for the party presidential election slated for later this month, faction sources said.

The sources said Shin Kanemaru, chairman of the faction formed by the former Prime Minister Noboru Takeshita, again asked former LDP Secretary General Ichiro Ozawa to run for the election but Ozawa refused to accept the request for health reasons. Ozawa was hospitalized in June for a heart problem.

The faction eventually decided not to field a candidate, the sources said. The sources believe the faction may have to choose between supporting Kiichi Miyazawa, who declared his candidacy earlier in the day, or former Finance Minister Michio Watanabe, who is expected to announce his candidacy later in the day.

Miyazawa Details Campaign Priorities

OW0510052791 Tokyo KYODO in English 0435 GMT 5 Oct 91

[Text] Tokyo, Oct. 5 KYODO—Former Finance Minister Kiichi Miyazawa formally announced plans Saturday to run in the presidential election of the ruling

Liberal Democratic Party [LDP], and said political reform would be his top priority.

In foreign affairs, Miyazawa, leader of the third-largest LDP faction, also cited Japan's contribution to the international community as his leading concern.

"In this rapidly changing world, it is impossible for Japan to remain aloof. We have a new responsibility," Miyazawa told a news conference after announcing his candidacy at a rousing meeting of his 82-member faction.

If chosen as party leader, Miyazawa said he would seek early passage of the bill on Japan's participation in United Nations peacekeeping operatione, which has been deferred to the next Diet session.

The LDP is slated to hold presidential elections October 27 if two or more candidates register by October 19. The post carries the prime ministership by virtue of the ruling party's majority in the House of Representatives.

A former finance minister who resigned in December 1988 over the Recruit stocks-for-favors scandal, Miyazawa told the news conference his association in the scandal would not detract from his ability to implement reforms of the political funding and election systems.

Miyazawa stepped down after making contradictory remarks about his secretary's purchase in his name of 10,000 Recruit Cosmos shares, which were later sold for a profit of 22.7 million yen.

The 71-year-old former finance bureaucrat indicated he would pick up political reform where Prime Minister Toshiki Kaifu left off by asking a council joined by leaders of five main parties, agreed upon Friday, to deliberate over the election system.

Kaifu, his two-year term as LDP president expiring October 30, ducked out of the race Friday after failing to get the support of the party's No. 1 faction co-led by power brokers Noboru Takeshita and Shin Kanemau to dissolve parliament in order to attain political reform.

He had been unable to rally support for establishment of a more powerful council under the authority of the speaker of the House of Representatives, and to set a deadline for concluding deliberations.

Kaifu decided to set up the reform council after a three-part package on political reforms was killed by a parliamentary committee earlier in the week.

Miyazawa said he believes a consensus would be reachable among political parties on measures aimed at reducing campaign costs, and requiring more detailed reporting of funding sources.

Miyazawa previously entered the LDP presidency race in 1987. He and the late Foreign Minister Shintaro Abe lost out then to Takeshita.

Also due to announce their candidacies Saturday were former Foreign Minister Hiroshi Mitsuzuka, leader of the second-largest faction, and former Finance Minister Michio Watanabe, who heads the fourth-largest faction.

The Takeshita faction, the largest of the five groups, said Saturday it would not field a candidate.

Mitsuzuka Denies Candidacy Withdrawal

OW0510115691 Tokyo KYODO in English 1137 GMT 05 Oct 91

[Text] Sendai, Oct. 5 KYODO—Former Transport Minister Hiroshi Mitsuzuka denied the possibility Saturday he would withdraw his candidacy in the Liberal Democratic Party (LDP) presidential election.

Mitsuzuka, 64, who succeeded the late Shintaro Abe as leader of the party's second largest faction, told reporters in Sendai, northern Japan, that he will register his candidacy by October 19 and that he naturally would not withdraw his candidacy once he declaes it.

He also indicated he will seek support from the party's largest faction led by former Prime Minister Noboru Takeshita, saying the two factions have had "extremely close relations" since the days of Abe.

The Takeshita faction, however, may field its own candidate by Monday or later next week, Mitsuzuka said, and he considers it important to compete fairly if that happens.

Mitsuzuka earlier had outlined his foreign and domestic policies, saying his basic goal was to build Japan as a peaceful nation which will actively contribute to the establishment of a new world order based on fairness and justice.

He said he would give his utmost effort to political reform, which was scrapped in the extraordinary Diet session that closed Friday.

Touching on alleged opposition on his leadership within his own faction, Mitsuzuka said his conflicts with the chairman of the party's Policy Affairs Research Council, Mutsuki Kato, are "not as bad as people think." The two are rivals in the faction.

Kato boycotted a faction meeting with other members September 29 when Mitsuzuka announced his decision to run in the LDP presidential race.

Watanabe Announces Candidacy

OW0510113291 Tokyo KYODO in English 1112 GMT 5 Oct 91

[Text] Tokyo, Oct. 5 KYODO—Former Japanese Finance Minister Michio Watanabe said Saturday he will strive to bolster the nation's respect worldwide, as he announced his candidacy in the Liberal Democratic Party's presidential elections set for October 27.

Watanabe, 68, who heads a 70-member party faction, said Japanese politics should shift to a more "realistic" vision of the future, "even if it would result in some pain to the public."

He said the nation is seeking a stateman with "foresight and leadership" and that it is that politician's mission to form a nation which would contribute peace and prosperity to the world.

Speaking on the 1988 stocks-for-favor Recruit scandal, Watanabe said it should not affect his candidacy as he was stripped of any blame during his reelection.

Announcing his candidacy early in the day, he said he is determined to run irrespective of other contenders.

The leader of the fourth largest faction said his political goals are to form a more "honorable" nation and to build a social system that would not lose its free market vitality as the society ages.

In foreign affairs, he said he considered Asia a priority, while continuing Japan-U.S. diplomacy.

He called for a humanistic approach to the international community, supporting the country's participation in U.N. peacekeeping operations, aid to international disaster relief activities, and restrictions on weapons of mass destruction.

Watanabe also suggested aiming international aid at protection of the environment and human rights and at eradicating narcotics.

On political reform, a controversial and unresolved issue in the extraordinary Diet session which closed Friday, he suggested a change to the current number of parliamentarians in the constituency system but did not elaborate.

Touching on the volatile rice trade issue, Watanabe suggested partial liberalization of the market, depending on U.S. and European reactions.

The presidential post carries with it the prime ministership as the party now holds a majority in the House of Representatives.

Race Maneuverings Reported

OW0610120691 Tokyo KYODO in English 1154 GMT 6 Oct 91

[Text] Tokyo, Oct. 6 KYODO—Shin Kanemaru, head of the ruling Liberal Democratic Party (LDP)'s largest faction, hinted Sunday the faction may rally behind former Finance Minister Kiichi Miyazawa to succeed outgoing Prime Minister Toshiki Kaifu.

Kanemaru, former deputy prime minister, called on members of the faction founded by former premier Noboru Takeshita to "set aside personal feelings and choose a man who can conduct foreign policy with decisiveness."

Political observers took Kanemaru's remarks to mean the Takeshita faction is now inclined to favor Miyazawa over two other candidates as Kaifu's replacement if it fails to field its own candidate for the October 27 LDP presidential election.

Michio Watanabe, competing with Miyazawa and former Trade Minister Hiroshi Mitsuzuka to succeed Kaifu, said he supports an international police force to deter regional conflicts.

At a meeting of his supporters in the hot spring town of Hakone in Kanagawa Prefecture, Watanabe said he sees the need for a "international police force-type" group to avoid a repeat of conflicts such as the Persian Gulf war. He made the remarks amid reports the Takeshita faction is leaning toward backing Miyazawa in the leadership tussle.

Watanabe, who also once served as finance minister, said he is entering the LDP presidential race to win.

"To do so, I have to get cooperation from other factions," he said, dismissing speculation he is not as enthusiastic about political reform as Miyazawa and Mitsuzuka.

All three announced their candidacies Saturday to succeed Kaifu, who is stepping down as LDP president and prime minister to take the blame for the political reform fiasco.

The LDP president carries with it the post of Japanese prime minister as the party has a majority in the powerful House of Representatives.

Watanabe's comment came as the Takeshita faction continues to have difficulties in fielding its own candidate.

At a meeting in his constituency in Yamanashi Prefecture, faction Chairman Kanemaru said, "if we don't have a candidate of our own, why have a faction?" The No. 1 power bloc is reportedly urging former LDP Secretary General Ichiro Ozawa to run for the presidency. But Ozawa has resisted for health and other reasons, according to LDP sources.

Kaifu, in announcing his decision not to seek a second two-year term as LDP leader Saturday, called on the presidential contenders to give top priority to political reform.

In a television appearance by all three candidates earlier in the day, Watanabe appeared reluctant to quickly implement political reform, citing stubborn opposition to a single-seat constituency system from many LDP and opposition party legislators.

Miyazawa suggested a decision on the issue should be made in one year, while Mitsuzuka expressed support for the proposed change in electing the lower house members.

Kanemaru To Field Candidate

OW0710080891 Tokyo KYODO in English 0748 GMT 7 Oct 91

[Text] Tokyo, Oct. 7 KYODO—The kingmaker of the Liberal Democratic Party (LDP), Shin Kanemaru, said Monday his faction will put up its own candidate as early as possible in the party presidential election to pick a successor to Prime Minister Toshiki Kaifu.

Kanemaru, emerging from a meeting of all members of the faction Monday, told reporters he is "firmly promising efforts up to the last minute to field our own candidate."

But many sources inside the LDP's largest faction founded by former Prime Minister Noboru Takeshita pointed at difficulties in its running its own candidate, saying consultations are still under way among senior members of the group to throw support behind either Kiichi Miyazawa or Michio Watanabe—two of the three hopefuls outside the Takeshita faction of which Kanemaru is the head.

The third candidate, Hiroshi Mitsuzuka, is out of the No. 1 faction's consideration because he needs more time to consolidate his power base in his own faction, the sources said.

It is too early to decide who will get the support of the largest faction, many of the sources said, noting that the election is still 20 days away, on October 27.

Kanemaru's faction is the largest among the LDP's five intraparty power blocs and accounts for 105 of the party's 395 Diet members.

Its decision is regarded as the key to choosing the next party president, who will automatically become prime minister because of the LDP's stable majority in the House of Representatives.

Kanemaru said that he will do everything he can to persuade deputy faction leader Ichiro Ozawa to stand for the party leadership election.

At the faction general meeting, Ozawa, the former LDP secretary general, declined the request again on health grounds. Ozawa, 49, was in hospital for two months earlier this year with a heart ailment.

Kanemaru said that a politician sometimes needs to be ready to give his life.

Prior to the group's general meeting, the Takeshita faction convened a meeting in the morning of its 16 most senior members to discuss how to address the party presidential election.

Kanemaru, his chief of staff Keiwa Okuda, and former LDP Secretary General Ichiro Ozawa were present.

Okuda told reporters later that the faction would ask Ozawa to run in the LDP presidential election. Some members of the faction, however, have voiced a call for Kanemaru himself to run in the election, Okuda added.

Meanwhile, the three party presidential hopefuls who have declared their candidacy so far—Miyazawa, Watanabe, and Mitsuzuka—were in the full swing Monday to rally support from various quarters of the ruling conservative party.

Miyazawa, who turns 72 Tuesday and heads the third-largest faction with 82 members, returned to his home base of Hiroshima Prefecture to kick off a full-scale election campaign.

Watanabe, 68-year-old leader of the 70-member fourth-largest faction, met successively Monday with the biggest faction's top three men—Kanemaru, Takeshita, and Ozawa—to seek their support in the election.

Takeshita encouraged Watanabe in his bid for the party presidency, Watanabe aides said.

Watanabe also conferred with Prime Minister Kaifu's mentor, Toshio Komoto, to seek support from his 31-member faction, the smallest in the LDP.

Mitsuzuka, 64, head of the No. 2 faction with 89 members, hosted the faction's general meeting at a Tokyo hotel and reiterated his resolve to garner support and win the election through balloting.

Mitsuzuka said he favors election through balloting and not through behind-the-scenes conclave sessions among power brokers.

Over the weekend, many Japanese newspapers reported that Miyazawa was becoming the most powerful contender in the party leadership race since the Takeshita faction has hinted it will support him.

On Sunday, Kanemaru indicated that his group may support Miyazawa, urging faction members to "set aside personal feelings and choose a man who can conduct foreign policy with decisiveness."

The LDP is scheduled to officially accept candidacies on October 19. The voting by the party's 395 Diet members and the 1.75-million rank-and-file members will be October 27. The party allocates 101 votes to party members not in the Diet.

Miyazawa, Watanabe, and Mitsuzuka on Saturday announced they would campaign to succeed Kaifu, who is stepping down following the failure of his efforts to bring about political reform.

Kaifu's term of office as LDP president expires October 30.

MOF Fears Revenue Shortfalls in FY '92 Budget

OW0410144491 Tokyo KYODO in English 1047 GMT 4 Oct 91

[Text] Tokyo, Oct. 4 KYODO—Decreasing tax revenues as a result of the national economic slowdown and the collapse of the "bubble economy" are casting dark shadows over the national budget for fiscal 1992, Finance Ministry officials said Friday.

The ministry faces requests for increased appropriations from various government offices in drafting the budget for the new fiscal year which starts next April 1.

The officials said there is growing concern over the likelihood of revenue shortfalls in the next fiscal year.

Accumulated tax revenues in fiscal 1991's first five months, which ended in August, decreased 2.8 percent from a year earlier. Corporate tax revenues were down 24 percent.

The ministry has been preparing the draft budget on the assumption that tax revenues in the current fiscal year will increase 2.8 percent from last year.

The officials said, however, tax revenues in the current and next fiscal years could record "considerable decreases" if the current economic slowdown continues.

The Finance Ministry will ask various government offices soon to cut expenses under the fiscal 1991 budget and minimize requests for appropriations under the fiscal 1992 budget.

Under the government's medium-term fiscal projections, tax revenues in fiscal 1992 are estimated at 65 trillion yen, up 3.26 trillion yen from fiscal 1991. Total revenue, including nontax revenue and revenue from government bonds, is estimated at 71.64 trillion yen.

However, budget requests for fiscal 1992 at the end of August totaled 76.178 trillion yen, up 8.3 percent from the initial fiscal 1991 budget.

Even if tax revenues came to the estimated level and the expenditures were cut by 1 trillion to 2 trillion yen, the government must devise some measures to make both ends meet, the officials said.

North Korea

Foreign Ministry Welcomes USSR Arms Statement

SK0610231691 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 6 Oct 91

[Statement issued by the spokesman of the DPRK Foreign Ministry on 6 October—read by announcer]

[Text] In order to defend world peace, realizing arms reduction and abolishing large-scale murderous weapons including nuclear weapons are common desires of man. **The most important problem in realizing this is to ban the testing and production of nuclear weapons; reduce the current existing nuclear weapons; and furthermore completely abolish all nuclear weapons.**

According to reports, it is said that on 5 October the Soviet President Gorbachev issued a statement on reducing its tactical nuclear weapons on the ground and sea. The statement notes that the Soviet Union will abolish all nuclear bombs and nuclear warheads, and all nuclear weapons dispatched on warships and submarines including the reduction of tactical nuclear weapons that are dispatched on the ground and sea.

The statement also says that in accordance with the principle of mutual agreement, it proposes that both sides of the Soviet Union and the United States abolish all nuclear weapons dispatched in the Navy and Air Force and that the Soviet Union freeze nuclear tests for one year and reduce 700,000 Soviet forces.

It is said that this measure by the Soviet Union is a counter- measure to the recent statement by the U.S. President Bush to reduce nuclear weapons.

We welcome the Soviet Union's statement on reducing tactical nuclear weapons on the ground, sea, air and hope that this will play a positive role in realizing the overall reduction of nuclear weapons of the world-wide range.

Since the two countries of the Soviet Union and the United States announced statements on proposing to reduce nuclear weapons, the possibility of the overall reduction of nuclear weapons on this earth has increased.

The region where the danger of nuclear war is greatest is the Korean peninsula. This is because the U.S. nuclear weapons are concentratedly dispatched in South Korea.

We acknowledge that due to the Soviet Union's measure, the United States has no justification to continue to dispatch its nuclear weapons in South Korea.

As the United States promised, it should not partially but completely withdraw all nuclear weapons dispatched on the ground, sea, and air in South Korea and completely eliminate the threat of nuclear weapons toward us.

If the Soviet Union and the United States will take measures for reducing nuclear weapons at the same time and if the denuclearization of the Korean peninsula is agreed upon and declared as we have already proposed, there will be no difficulty for the two countries of the Soviet Union and the United States to guarantee its status.

We have no ability or intention of producing nuclear weapons and will continue to make every effort to turn the Korean peninsula into a nuclear-free peace zone.

We hope that measures to reduce nuclear weapons by the Soviet Union and the United States will lead to the

complete abolition of all nuclear weapons and to an overall abolition of armaments.

6 October, 1991

Pyongyang

PRC Daily Welcomes Kim Il-song Visit

SK0510045691 Pyongyang KCNA in English 0436 GMT 5 Oct 91

[Text] Beijing October 4 (KCNA)—The October 4 issue of the Chinese PEOPLE'S DAILY carried an editorial headlined "Warm Welcome to President Kim Il-song" upon the visit of the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, to the People's Republic of China.

The editorial reads in part:

The leaders of the two countries have constantly developed Sino- Korean friendship, frequently visiting each other from long ago.

The current China visit of President Kim Il-song is sure to further promote friendship, unity and cooperation between our two parties, two countries and two peoples.

President Kim Il-song is the founder of the Workers' Party of Korea and the Democratic People's Republic of Korea and the great leader of the Korean people.

Under the leadership of the Workers' Party of Korea headed by Comrade Kim Il-song, the Korean people have registered great achievements in the struggle to defend the national sovereignty against foreign aggression and build socialism.

The Chinese people warmly hail these achievements of the Korean people.

Referring to the Korean reunification question, the paper stresses:

The situation on the Korean peninsula is moving toward detente and stability and developing in conformity with the desire of the Korean people and in favor of peace and stability in Asia and the rest of the world.

The Chinese party and government support the proposal to achieve the reunification of the country through confederation based on "one nation, one state, two systems and two government" put forward by President Kim Il-song.

We firmly believe that the North and the South of Korea will finally open up the phase for reuninication through dialogue and negotiations without the interference of foreign forces.

Sino-Korean friendship has brilliant historical traditions and solid foundations; it has strong vitality as it has pulled through the grim tests of the times.

The Chinese people set great store by the Sino-Korean friendship and will as ever do their utmost to convey this friendship down through generations.

DPRK-PRC Friendship Called 'Indestructible'

SK0510095491 Pyongyang Korean Central Broadcasting Network in Korean 0010 GMT 4 Oct 91

[Unattributed talk: "Indestructible DPRK-China Friendship Based on the Intimate Relations and Sublime Fidelity Between the Two Countries' Party and State Leaders"]

[Text] The DPRK-China friendship, based on the intimate comradely relations and revolutionary fidelity between the two countries' party and state leaders, has been consolidated as an invariable indestructible friendship with each passing day. It has displayed a great vitality.

The great leader Comrade Kim Il-song has stated: For a long time, the leaders and the people of the two countries of Korea and China have frequently visited each other irrespective of diplomatic rules and forms, have exchanged their views, and have forged deep friendship and trust.

For a long time, the two countries' party and state leaders have exchanged their open-minded views about issues of interest to each other, transcending diplomatic rules and forms. Thus, they have deepened comradely friendship and trust. This is a tradition in the history of DPRK-China friendship.

The great leader Comrade Kim Il-song forged particularly friendly relations early on with Comrade Mao Zedong, the great leader of the Chinese people, the respected Comrade Zhou Enlai, and Comrade Deng Xiaoping. On the basis of the particularly friendly relations, he has strengthened the DPRK-China friendly relations.

In recent years, the two countries' leaders have frequently visited each other and held contacts, strengthening the base of the DPRK-China friendship which has been strengthened and developed as the days pass. They have embellished the beautiful garland of friendship.

In particular, the recent meaningful meetings between the two countries' leaders have made a great contribution to smashing the imperialists' strategy of peaceful evolution in today's complicated situation and to adhering to the banner of socialism. This is an historic event, once again vigorously demonstrating to the entire world the DPRK-China friendship and indestructible unity.

In recent years, the great leader Comrade Kim Il-song has visited China on several occasions. In November 1989, he again visited China and met party and state leaders, including the respected Comrade Deng Xiaoping, Comrade Jiang Zemin, Comrade Yang Sahngkun, and Comrade Li Peng. He held talks and exchanged views with them.

At talks and meetings, which were held in a comradely and friendly atmosphere, the two countries' leaders were satisfied that the DPRK-China friendship has continuously been expanded and developed even higher without being shaken in the face of any circumstance. They expressed their firm will that the DPRK-China friendship, which has been forged with blood through tiding over tribulations of all kinds in history, should be continuously consolidated and developed generation after generation. In fact, the great leader's China visit was an epoch-making occasion for developing the traditional DPRK-China friendship on an even higher level.

In recent years, Chinese party and state leaders have visited our country on several occasions. In March 1990, it was to our country where the respected Comrade Jiang Zemin, after being appointed to the important position of general secretary of the CPC Central Committee, made his first foreign visit. In May, Premier Li Peng visited our country.

This clearly shows the firm and unshakable will of the CPC and the Chinese people, who regard as valuable the DPRK-China friendship, which the Chinese leaders have long forged and expanded, and who try to continue bringing it into full bloom.

The relations of friendship and unity between the people of the two countries of the DPRK and China have been more firmly forged with each passing day in keeping with their desire. This is because the friendly relations between the people of the two countries, the DPRK and China, are based on the intimate friendly relations forged between our people's great leader Comrade Kim Il-song and old Chinese leaders. This is also because the relations are friendly relations forged with blood in the course of joint struggle over a long time.

As the leaders of the two countries of the DPRK and China have always emphasized, the relations between our two countries are special friendly relations, not common relations usually existing between countries. The history of the DPRK-China friendship includes innumerable impressive stories in which the two countries' people have deepened the revolutionary friendship with blood in the course of fighting against their common enemy and in the course of tiding over difficult tribulations for the victory of the socialist cause.

We can judge a true friend in a difficult situation. A true friendship can be proved in the tribulations over a long history. The DPRK-China friendship is the very friendship that can exist only between genuine friends and has already been proved through a practical life.

Strengthening and developing the traditional DPRK-China friendship is a firm will that takes root in the minds of the people of the two countries and in the rivers and mountains of the two countries.

The people of the two countries of the DPRK and China are assigned the joint duty of further expanding and developing such friendly relations and of fighting for defending the peace of Asia and the world under the banner of socialism.

Today, our people are in single-hearted unity around the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il. Our people are accelerating the construction of socialism of our own style and indefatigably fighting for expediting the country's reunification.

The Chinese people, under the correct leadership of the CPC with the respected Comrade Jiang Zemin as its core, are struggling to consolidate a stable and united political phase and to construct socialism with Chinese characteristics while maintaining one center and two key points.

Our people extend invariable supports to the Chinese people's struggle to construct a strong socialist country. The Chinese people extend positive support and encouragement to our people's struggle to construct socialism and to reunify the fatherland.

The people of the two countries of the DPRK and China are vigorously advancing along the road of socialism and taking a joint step in keeping with the demand of situation. This conforms to the interests of the two countries' people and the cause of world peace. Thus, this is a very good work.

The people of the two countries of the DPRK and China, as in past days, will jointly cope with the imperialists, who trying to frustrate socialism, and will vigorously fight for the victory of the socialist cause.

The DPRK-China friendship, which has a long historical tradition of more than a half century, is a common asset andis very important to the two countries' people. The DPRK-China friendship, based on the intimate relations and revolutionary fidelity between the leaders of the two countries of the DPRK and China, will be firmly strengthened as an indestructible friendship, whatever arduous storms and tribulation they may encounter. It will come into full bloom as a more beautiful garland in history.

Kim Yong-nam Meets Foreign Ministers in New York

*SK0410152491 Pyongyang KCNA in English
1508 GMT 4 Oct 91*

[Text] Pyongyang October 4 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam of the DPRK who is participating in the 46th U.N. General Assembly session met with the foreign ministers of Tanzania, Uganda, Thailand, Malaysia, the Saharan Arab Democratic Republic, the Soviet Union, Burkina Faso and Cyprus on October 1.

On the occasion the foreign ministers warmly congratulated the DPRK upon its U.N. membership.

The Tanzanian foreign minister said that with the DPRK's admission to the United Nations the just stand of the DPRK Government toward the reunification of the country has been known better to the world.

The Soviet foreign minister pointed out that the relations between the Soviet Union and the DPRK will more favorably develop in the future, too, as the two countries have had close relations in political, economic, cultural and other fields in the past.

The foreign minister of the Saharan Arab Democratic Republic said that the DPRK's admission to the U.N. means that the DPRK under the wise guidance of President Kim Il-song will play a greater role in international arena, particularly, in accomplishing the cause of justice.

Meets With VOA, U.S. Reporters

SK0510050091 Pyongyang KCNA in English
0444 GMT 5 Oct 91

[Text] Pyongyang October 5 (KCNA)—Kim Yong-nam, vice- premier and foreign minister of the DPRK, who is participating in the 46th United Nations General Assembly session was interviewed separately by reporters of the NEW YORK TIMES, WASHINGTON POST and Voice of America at the hotel on October 2.

The foreign minister the hotel answered a series of questions put by the reporters such as the relations between the DPRK and the United States, the DPRK's stand on Bush's announcement on the pullout of short-range missiles, nuclear inspection and the prospect of inter-Korean talks.

Premier, Foreign Minister Speak To Reporters

SK0710111491 Pyongyang KCNA in English
1015 GMT 7 Oct 91

[Text] Pyongyang October 7 (KCNA)—Premier Yon Hyong-muk who is participating in the 46th session of U.N. General Assembly was interviewed in New York on October 4 by reporters of "NEW KOREA TIMES", a newspaper published by Koreans in Canada.

The premier answered questions of reporters on the purport and object of the DPRK's entry into the United Nations, reunification- oriented way of solving problems, injustice of "recognition of entity doctrine", the reason why the both dialogue between authorities and non-government dialogue must be regarded important, our principled stand on the top-level talks and other questions put by the reworters.

He was interviewed by the chief of the information section of the T.V. Broadcasting Corporation of Koreans in the United States on October 2.

Meanwhile, Vice-Premier and Foreign Minister Kim Yong-nam met the foreign ministers of Indonesia and the Philippines on October 3 and the foreign minister of Uruguay on October 4.

The foreign ministers warmly welcomed the DPRK's admission to the U.N.

Kim Yong-nam separately met and had conversations with Stephen Solarz, chairman of the Subcommittee on Asian and Pacific Affairs of the Foreign Affairs Committee of the House of Representatives of the United States, and Gaston Sigur, former assistant secretary of state of the United States, on October 4.

He was interviewed that day by an AP reporter.

He answered the reporter's questions on the purpose and purport of the DPRK's entry into the U.N., our stand on the realisation of a single U.N. membership, the proposal for reunification through confederacy, the DPRK's stand on Bush's initiative to eliminate the tactical nuclear weapons and the nuclear inspection.

On the same day, the foreign minister was separately interviewed by the president of the South Korean T.V. Broadcasting Corporation and the president of the South Korean Broadcasting System in the United States, the president of Ilgan [as received] New York, the president of Sinhan Minbo and U.S.-Korea News Service, papers of Koreans in the United States, and Washington reporters of the South Korean newspaper HANGYORE SINMUN.

In the interviews he answered their questions on the visit of the great leader President Kim Il-song to China, the North-South top-level talks, relations between the North and the South after the admission of the North and the South to the U.N., nuclear inspection, relations bewteen the DPRK and the United States, and so on.

Korean Groups in U.S. Fete Kim Yong-nam

SK0610084491 Pyongyang KCNA in English
0801 GMT 6 Oct 91

[Text] Pyongyang October 6 (KCNA)—The U.S. and Canada headquarters of the Pan-National Alliance for the Country's Reunification (Pomminnyon), the Association of Korean Businessmen in the United States, the Americas Society for Cultural Exchange, the Association for Peace in the Homeland and other organisations of Koreans in Americas gave a dinner on October 3 for Yon Hyong- muk, premier of the Administration Council, and the delegation of the Democratic People's Republic of Korea participating in the 46th U.N. General Assembly session.

Yon Hyong-muk, addressing the dinner, said:

The driving force of the country's reunification is the entire Korean nation in the North and the South and overseas.

All people, whether they are communists or nationalists, theists or atheists, should get united on the principle of giving top priority to the common interests of the nation and subordinating everything to the cause of reunification.

The only way of our nation uniting and achieving national reunification at the earliest date possible is to achieve reunification through confederation, leaving the different ideas and systems in the North and the South as they are.

South Paper Cited on U.S. Nuclear Deployment

SK0510151891 Pyongyang KCNA in English 1504 GMT 5 Oct 91

[Text] Pyongyang October 5 (KCNA)—The South Korean paper CHOSON ILBO October 1 carried an article about the nuclear weapons and operational system of the U.S. forces occupying South Korea.

The paper said:

"The main U.S. nuclear arsenal is the U.S. Air Force Base in Kunsan" and it is known to the world in early 1985 that nuclear bombs to be delivered by F-4 and F-16 fighter-bombers were stored in Kunsan and it was disclosed that there were also nuclear mines and shells for the ground force. The paper continued: The U.S. Army completed the deployment of a nuclear-capable Lance missile company in South Korea on February 9, 1987 and this unit acquired actual war capacity in early March.

A U.S. special unit in South Korea is keeping nuclear mine sappers for exploding operation in the Yongsan Base in Seoul.

The U.S. 7th Fleet supports the Army with nuclear weapons including air-dropped heavy bombs. And the surface warships and submarines of the fleet are carrying an ever larger quantity of antisubmarine nuclear rockets and underwater explosive torpedoes than in the past.

Since June 1984 U.S. warships have been carrying nuclear-tipped cruise missiles to launch warship-based Tomahawk for ground attack and the military commanding posts and airfields of the North are also their targets.

Noting that the "Team Spirit" joint military exercises are war games for a nuclear war, the paper cites for an the example the presence of the "planning-operational unit" in the U.S. 8th Army. The United States is keeping in South Korea a nuclear commanding- controlling basic facilities in South Korea, it said.

Overseas Group Demands Removal of U.S. Arms

SK0510121691 Pyongyang KCNA in English 1003 GMT 5 Oct 91

[Text] Pyongyang October 5 (KCNA)—The executive secretariat of the Organisation of Afro-Asian, Latin American Peoples Solidarity recently issued a statement demanding the withdrawal of the U.S. troops and nuclear weapons from South Korea and the conversion of the Korean peninsula into a nuclear-free zone.

Noting that a consensus of views was reached on the issues of the reunification of Korea and the conversion of the Korean peninsula into a nuclear-free zone at a meeting of political parties and public organisations in Asia for denuclearising the Korean peninsula and removing the U.S. nuclear threat held in Nepal, the statement said:

We consider that nuclear inspection of 1,000 odd nuclear weapons in South Korea must be conducted simultaneously on the Korean peninsula.

We express firm solidarity with the Korean people in the efforts to reunify their country independently and peacefully.

More Groups Demand Withrawal

SK0510122091 Pyongyang KCNA in English 1008 GMT 5 Oct 91

[Text] Pyongyang October 5 (KCNA)—Foreign public organizations denounced the U.S. imperialists for demanding unilateral "nuclear inspection" of the Democratic People's Republic of Korea and called for the withdrawal of the U.S. forces and their nuclear weapons from South Korea.

The Union of Young Communists of Cuba, the Federation of University Students of Cuba and the Federation of Middle School Pupils of Cuba in a statement on September 20 said that the Cuban youth and students are denouncing the United States' demand for the unilateral "nuclear inspection" of the DPRK and calling for the removal of the nuclear arsenal in South Korea.

The statement demanded that the United States stop the campaign and military exercises against the DPRK and strictly respect the right to self-determination and territorial integrity of Korea.

The Council of the Sudan-Korea Friendship Club in Korea Buri Village, Barari District, Khartoum of the Republic of the Sudan, published a statement on September 24. It is preposterous, the statement noted, for the United States to damand a "nuclear inspection" of the DPRK which has no nuclear weapons and has no capability to develop them, while persistently opposing inspection of its own nuclear weapons deployed in South Korea. In this the United States is pursuing the sinister purpose of covering up the danger of the nuclear weapons deployed in South Korea and its aggressive nature.

Haji Mustapha Yaakub, secretary general of the International Department of Youth Organization of the Umno, told reporters that he urged the United States to withdraw its troops and weapons from South Korea to accelerate the reunification of Korea.

It is high time the United States made energetic efforts to free Asia from the threat of nuclear weapons, he stressed.

Yon Hyong-muk Hosts Reception in New York

SK0510053591 Pyongyang KCNA in English
0450 GMT 5 Oct 91

[Text] Pyongyang October 5 (KCNA)—Yon Hyong-muk, premier of the Administration Council of the Democratic People's Republic of Korea, hosted a reception in New York Wednesday evening.

Present at the reception were the U.N. under-secretary generals in charge of security, disarmament, information and special political affairs, U.N. senior officials including the vice- director of the department in charge of the U.N. Security Council, the foreign ministers or the vice-ministers of foreign affairs of Cuba, Vietnam, Laos, Zimbabwe, Mongolia, Jordan, Belorussia and other countries and representatives of various countries to the U.N.

Also present were the ex-special assistant to the U.S. President, the vice-director of the U.S. Council on Foreign Relations, the chairman of the Workers World Party of the United States, the international affairs secretary of the Communist Party of the United States of America and other figures of various strata and professors, more than 100 compatriots in the U.S. and Canada, some 500 in all.

Prior to the reception that day the premier of the Administration Council met with Choe Hong-hui, president of the International Taekwon-do Federation, Sonu Hakwon, advisor to the U.S. headquarters of the Pan-National Alliance for the Country's Reunification (Pomminnyon), Yang Un-sik and Yi Haeng-u,its co-chairmen, Chon Chong-yim, co-chairman of the Canada Headquarters of Pomminyon, Chu Tong-chin, chairman of the Americas Society for Culturel Exchange, and other Korean figures in the U.S. and Canada.

New Ambassador to Tunisia Presents Credentials

SK0510131991 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 28 Sep 91

[Text] On 26 September, (Yi Chin-kyu), our country's new ambassador extraordinary and plenipotentiary to Tunisia, presented his credentials to Zine El Abidine Ben Ali, president of this country.

At the meeting, the ambassador delivered greetings from the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il to President Zine El Abidine Ben Ali.

The president expressed deep gratitude for this and asked the ambassador to convey his friendly and warm greetings to the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il.

The president said that he supports the method of Korea's reunification by means of a confederal system that the respected His Excellency President Kim Il-song proposed. The president emphasized his firm belief that the Korean people will achieve the nation's independent and peaceful reunification without fail according to this method.

The president enthusiastically congratulated our country's entry into the United Nations and said that the Tunisian Government will make efforts to further develop the friendly and cooperative relations with Korea. The talks were held in a friendly atmosphere.

Yon Hyong-muk Meets Cuban Foreign Minister

SK0610122691 Pyongyang KCNA in English
0810 GMT 6 Oct 91

[Text] Pyongyang October 6 (KCNA)—Yon Hyong-muk, premier of the Administration Council of the Democratic People's Republic of Korea, met with Miguel Trovoada, president of the Democratic Republic of Sao Tome and Principe, in New York on September 30.

The president referred to the friendly and cooperative relations between Sao Tome and Principe and the DPRK and expressed thanks for the DPRK's sincere cooperation.

On the second of October, Yon Hyong-muk met Cuban Foreign Minister Isidoro Malmierca Peoli in New York.

The Cuban foreign minister welcomed the DPRK's admission to the U.N. and said that Cuba and the DPRK have established particular friendly relations and the parties and governments and peoples of the two countries have struggled shoulder to shoulder for the same purpose.

Such friendly relations are based on the particular intimacy between the great leader Comrade Kim Il-song and Comrade Fidel Castro, he noted.

Cuba has always supported the struggle of the Korean people for national reunification and believes that this struggle will emerge victorious, he stated.

In the meantime, Vice-Premier and Foreign Minister of the DPRK Kim Yong-nam who is participating in the 46th U.N. General Assembly session was interviewed separately by the chief of the New York office of YOMIURI SHIMBUN, the chief of the Seoul office of ASAHI SHIMBUN and the chiefs of the New York and Seoul offices of the Kyodo News Service in New York on October 3.

In the interviews the foreign minister answered questions put by the reporters on nuclear inspection, the normalisation of diplomatic relations between the DPRK and Japan and the relations between the DPRK and the U.S.

On October 3, the U.S. Council on Foreign Relations hosted a luncheon for Kim Yong-nam.

The foreign minister, addressing the luncheon explained the DPRK's principled stand on the way of solving the Korean question, its entry into the U.N., the relations between the DPRK and the United States and nuclear inspection.

Kim Tal-hyon Visits Pakistani President

SK0610123891 Pyongyang KCNA in English 0823 GMT 6 Oct 91

[Text] Pyongyang October 6 (KCNA)—Ghulam Ishaq Khan, president of the Islamic Republic of Pakistan, warmly welcomed the admission of the DPRK to the United Nations when he met with Vice- Premier Kim Tal-hyon who was leading a DPRK Government economic delegation on October 3.

He expressed support to the policy of the independent and peaceful reunification of the country and the just proposals and measures for the denuclearisation of the Korean peninsula clarified by the great leader President Kim Il-song.

Chondaehyop Members Meet Koreans From Japan

SK0610095691 Pyongyang KCNA in English 0805 GMT 6 Oct 91

[Text] Pyongyang October 6 (KCNA)—Students Pak Song-hui and Song Yong-sung, delegates of the National Council of Student Representatives (Chondaehyop), who are staying in Pyongyang met here with students of the Department of Industrial Administration of Choson University in Tokyo on October 4.

A student of Choson University Pak Chan-uk spoke first.

He extended fraternal and militant greetings to Pak Song-hui and Song Yong-sung, delegates of Chondaehyop, the steel-like ranks of national salvation, which is vigorously waging the anti-U.S., anti- No Tae-u struggle to make 1995 the year of reunification, the year of national auspicious event.

Student Pak Song-hui in reply said that students of Choson University, Chonaehyop, fellow students under the Korean Students Committee and younger and elder brothers and sisters should join hands and wage a powerful struggle to force the U.S. imperialists out of South Korea at an early date and hasten national reunification.

Then the students of Choson University encouraged the delegates of Chondaehyop, reciting poems and singing songs.

They presented T-shirts bearing letters expressing desire for national reunification to the delegates of Chondaehyop as gifts and asked them to gain strength from the T-shirts when they face difficulties in struggle.

Pak Song-hui and Song Yong-sung said that such school as Choson University could be found nowhere else and the Korean students in Japan live with the soul and spirit of the nation and the will of reunification.

The students of Choson University and the delegates of Chondaehyop parted with each other, promising to meet again with joy on the day of reunification.

While staying in Pyongyang, the delegates of Chondaehyop went round factories, enterprises, cooperative farms and educational and cultural institutions.

South Defense Minister's Remarks Assailed

SK0510085791 Pyongyang Korean Central Broadcasting Network in Korean 0022 GMT 1 Oct 91

[NODONG SINMUN 1 October commentary: "Outburst of a Warmaniac Pursuing a Nuclear War"]

[Text] According to foreign news reports, Yi Chong-ku, a person holding the office of puppet South Korean defense minister, recently uttered belligerent words once again in an interpellation at the National Assembly.

Babbling about the nonexistent nuclear development by the North, he said that military action should be opted to have the North stop the nuclear plan. He also said that he will take a strong restrictive measure against the North and reinforce international cooperation if the North refuses to sign the nuclear safeguards accord.

At the same time, this person, saying that the call for turning the Korean peninsula into a nuclear-free zone is impractical and meaningless, publicly prattled that South Korea should remain under the U.S. nuclear umbrella and is against any proposal aimed at removing the nuclear umbrella. Literally, this is a serious military provocation by a warmaniac and a declaration of war, which can never be overlooked under any circumstances.

Our people and the world still remember the fact that Yi Chong-ku, saying this and that about our nuclear development in front of South Korean newspaper editors last April, uttered bellicose remarks to the effect that he would send the puppet commandos to launch a preemptive strike against the North.

When his indiscreet remarks on war provoked strong protests at home and abroad, he defended himself by saying that it was a slip of the tongue.

That this very person once again babbled about the choice of a military action is very ominous. Yi Chong-ku's repeated call for a surprise strike or a military action against the North cannot be considered to be a warmaniac's accidental mistake or slip of tongue.

We find it very serious that words equivalent to a declaration of war on us were uttered in a defense minister's public answer to an interpellation in the South Korean National Assembly whose mission it is to discuss state affairs.

The puppet South Korean defense minister's outrageous words on war is at once an expression of the intention of the puppet South Korean authorities and were made at the instigation of the United States which is controlling them from behind.

As has been revealed, about 1,000 U.S. nuclear weapons and their delivery means have now been deployed in South Korea. While babbling that they are going to reduce the nuclear weapons elsewhere in the world, the U.S. imperialists are bringing new nuclear weapons into South Korea without interruption.

Under the billboard of Team Spirit, the U.S. imperialists and the puppets have for years conducted a very dangerous nuclear test war with a scheme to launch a surprise attack against our Republic and even now they are engaged in war exercises with war equipment brought into South Korea, including the exercise of dropping nuclear bombs.

Not only during the past Korean war period, but also in the postwar days, the U.S. imperialists studied on many occasions the use of nuclear weapons against us in detail and have publicly babbled that they will use nuclear weapons if war breaks out on the Korean peninsula, while deliberately aggravating the situation on the Korean peninsula.

After composing a 120-day war scenario on the assumption of using nuclear weapons on the Korean peninsula, the U.S. imperialists are scheming to ferry the aggressive forces from the continental United States to a war as soon as they provoke it.

Recently, the South Korean puppets and the U.S. military brass beautified the U.S. nuclear weapons deployed in South Korea as a deterrent to war and talked about nuclear inspections, noisily prattling about the North's nonexistent nuclear development. This is nothing but a deliberate scheme to cook up an excuse to provoke a war of northward invasion.

Under the excuse of our refusal to agree to nuclear inspection, the puppets are about to provoke a war of northward invasion together with the United States.

Having become more arrogant since the end of the Gulf War, they are about to provoke a war of northward invasion taking advantage of the broken balance of power in the international theater and to realize their aggressive wild ambitions regarding the northern half of the Republic by drawing into it even U.S. satellite countries.

Regarding the reckless maneuvers of the South Korean puppets and their masters who are about to provoke a nuclear war of a northward invasion in Korea, which is an intolerable challenge to our people who hope for peace on the Korean peninsula and for its peaceful reunification, we resolutely condemn and denounce them.

To prevent the danger of nuclear war and guarantee peace on the Korean peninsula is a matter of life and death. It is important in this for the North and South to take a completely antinuclear step and ban the production, storage, and introduction of nuclear weapons, as well as the passage of foreign nuclear weapons through the territorial air space and waters of their respective regions, in addition to the withdrawal of U.S. nuclear weapons deployed in South Korea.

It is not our nonexistent nuclear development, but the criminal maneuvers of the U.S. imperialists and the puppets who, after turning South Korea into the Far East's largest nuclear forward base, have been running amok in a nuclear war commotion, that has placed the issue of a nuclear war on the Korean peninsula on the calendar.

On more than one occasion in the past we have called for withdrawing U.S. troops and nuclear weapons from South Korea and for turning the Korean peninsula into a nuclear-free, peace zone. This year alone we have advanced epoch-making peace proposals, including one that called on the North and South to agree on denuclearizing the Korean peninsula and on jointly declaring it.

The problem is what kind of attitude the South Korean authorities will adopt. The person called Yi Chong-ku referred to our proposal on turning the Korean peninsula into a nuclear-free zone as impractical and meaningless and then voiced his opposition to any proposal for removing the U.S. nuclear umbrella.

This is nothing but an expression of an intention to entrust South Korea to the United States as a permanent nuclear base and to keep honoring the master's nuclear war policy.

It is utterly preposterous that the South Korean puppets, while deliberately ignoring the U.S. nuclear weapons that undeniably exist in their land, go into a fit of babbling about somebody else's nonexistent nuclear development.

As we have consistently urged, if nuclear inspections are necessary, not only our country where no nuclear weapons exist, but also South Korea, which has been turned into a nuclear powder magazine, should be placed under nuclear inspection.

The puppets' babbling about military action against the North's nuclear development will bring no result other than complicating and blurring the future of nuclear inspections.

As we have made clear recently, if and when the United States withdraws its nuclear weapons from South Korea, it will open the road for our signing the nuclear safeguards accord.

Given the fact that the person called Yi Chong-ku has systematically been heaping grave, outrageous words on our military service, this person must be an indiscreet warmaniac. Such persons must be eliminated without delay, and the traitorous No Tae-u clique that is encouraging this person's outburst on war from behind the scenes should also be eliminated.

Concerning the puppet defense minister's outrageous words on war, a South Korean opposition party reacted to his remarks, calling them anti-history words running counter to the national hope for peace on the Korean peninsula. This is natural.

We have been watching the indiscreet acts of the warmaniacs in search of a nuclear preemptive strike with vigilance and will never remain a mere spectator to their criminal maneuvers.

Warmaniacs should cool the dizziness caused by nuclear-weapon fever and act discreetly.

If despite our repeated warnings the warmaniacs take the path of provoking a nuclear war, the provocateurs will never be able to avoid punishment meted out by our people.

Daily Views South's Budget Bill

SK0510060991 Pyongyang KCNA in English 0527 GMT 5 Oct 91

["Antipopular Extortionary 'Regime'"—KCNA headline]

[Text] Pyongyang October 5 (KCNA)—The South Korean puppet administration, confirming the "final budget bill" for next year, decided to largely increase tax burdens on the shoulders of the people.

Consequently, the amount of taxes for each head of the South Korean population will top the one million won mark for the first time in history.

This is clear proof that the No Tae-u "regime" is not only a fascist suppressive "regime" but also an anti-popular extortionary "regime," says NODONG SINMUN in a commentary today.

The news analyst says:

Many South Korean workers are paid low monthly wages of about 100,000 won. When this is taken into consideration, to force each inhabitant, adult or child, to pay one million won in taxes is as good as driving them to death.

All the more exasperating is the fact that the puppets are squandering a colossal amount of taxes wrested from the people in their anti-popular, anti-national criminal actions.

Although the puppets pretended to increase the "budget" for "development," "support" and "people's welfare" this year, the economy is falling into a more hopeless stagnation and the people's living has hit the bottom of destitution.

What they are increasing is the cost of crackdown on the people and preparations for war.

They decided to increase their share of the burden for the presence of the U.S. imperialist aggression forces in South Korea next year by 20 percent up on this year, and to raise the official military spendings envisaged in the "budget" by 12.7 percet.

What the No "regime" is doing is, in the final analysis, heinous acts of distressing people from A to Z and seeking only repression and war.

Founding Anniversary of Radio Station Marked

SK0410141191 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 26 Sep 91

[Text] A report meeting to mark the 30th anniversary of the No. 1 Broadcasting Station was held on 26 September. Comrade Han Song-yong, member of the Political Bureau and secretary of the Workers Party of Korea [WPK] Central Committee; Kim Hak-sop, minister of post and telecommunications; and other functionaries of the relevant sector, as well as the employees of No. 1 Broadcasting Station were present.

Comrade Han Song-yong delivered the WPK Central Committee's congratulatory letter to the party members and working people of the No. 1 Broadcasting Station.

The congratulatory letter sent warm congratulations on the 30th anniversary of the founding of the No. 1 Broadcasting Station to all of the party members and working people who completed the revolutionary task entrusted to them with warm loyalty and with excellence to the party and the leader and patriotic devotion.

The letter noted that the No. 1 Broadcasting Station fulfilled with excellence the task entrusted to it over the last 30 years under the wise leadership of the party and the leader. The party members and working people of the broadcasting station satisfactorily fulfilled the work to extensively publicize, with a high sense of responsibility for the revolutionary task, the great chuche idea and the successes and experiences attained by our party in revolution and construction.

The letter noted that the party members and working people increased the number and frequency of broadcasts more than tenfold by producing various modern broadcasting facilities and technologically remodeling various existing facilities, vigorously conducting mass-oriented technological innovation campaigns in conformity with the development of science and technology.

The letter noted that the guiding functionaries, in conformity with the requirement of the team work system, conducted political work with intensity, regularized and standardized enterprise management, established the revolutionary system and order, renovated the broadcasting station so that it is worthy of an organization of the cultural revolution, and attained great success in the supply service work as well.

The letter noted that the No. 1 Broadcasting Station has been strengthened and developed to be the country's dependable propaganda base with highly skilled technological workers and technicians of pure loyalty to the party and the leader and with modern machines and equipment, through the long struggle to implement the party's post and telecommunications policy.

The letter highly appreciated the excellent success the party members and working people have attained in modernizing the broadcasting facilities and supplying broadcasts, reports, and communications with self-awareness of the revolutionary task with an attitude befitting a master.

The letter expressed a firm conviction that the party members and working people of the No. 1 Broadcasting Station will continue to satisfactorily carry out the work of broadcast, reports, and communications entrusted to them while upholding the party's leadership and under the banner of the three revolutions—ideological, technological, and cultural—and to meet with the party's trust and expectations.

Then Chang Si-yong, head of the No. 1 Broadcasting Station, made a commemorative report.

The reporter stressed that the great leader, who appreciated the significance and importance of broadcasting work in the revolution and construction, founded the broadcasting station in September 1961. Wisely leading the work of the broadcasting station, the dear leader comrade fortified the material and technological base of the broadcasting station and warmly looked after the employees' work and lives. The reporter then said that he gives, with the consistent loyalty of the participants in the report meeting, the greatest honor and warmest gratitude to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, who provided them with this happiness and joy today.

The reporter noted that a heavy task is set for all the party members and working people of the broadcasting station to uphold the militant task set forth in the party's congratulatory letter and further develop the work of broadcasting, reports, and communications in conformity with the demand of the development of the revolution and the prevailing situation. He said that the party members and working people of the broadcasting station should continue upgrading the efficiency of the broadcasts, reports, communications, and radiophoto transmissions by establishing the revolutionary work system and order, improving the standard of technology and skill, checking and repairing the machines and equipment in a timely manner, and effectively carrying out technological management, thereby fully operating the broadcasting and communications facilities.

He noted that the workers and technicians of the broadcasting station should vigorously accelerate automation and remote-control technology and continue to increase the number and frequency of broadcasts by strengthening creative cooperation, thus further strengthening the power of broadcasts, reports, and communications.

The reporter emphasized that the party members and workers of the station should possess the firm faith that our leader and our party, the chuche idea, and our country's socialist system are the best, and they should thoroughly prepare to be true revolutionaries fighting staunchly to complete the chuche revolutionary cause.

A letter of oath was adopted at the report meeting.

Daily Criticizes Capitalist System

SK0310120491 Pyongyang KCNA in English 1031 GMT 3 Oct 91

["Sophistry To Prettify Capitalist Economic System"—KCNA headline]

[Text] Pyongyang October 3 (KCNA)—Although the imperialists and their mouthpieces are advertising "advantages" of the capitalist economic system, it [words indistinct] that can convince no one, says NODONG SINMUN in a by-lined article today.

The article quotes the dear leader Comrade Kim Chong-il as saying:

"The capitalist market economy is driving the working masses to poverty and minor entrepreneurs to bankruptcy, while battening big monopolies. This is widening the polar gap and antagonism in the form of 'the rich getting richer and the poor poorer' and plunging the capitalist society to an all the more serious political and economic crisis."

The capitalist economic system is, in essence, market economy and, accordingly, its reactionary nature stems mainly from the vulnerability of the market economy.

In capitalist society market economic machines are operating and free competitions are growing stiff and this is widening the gap between the rich and the poor and deepening the serious political and economic crisis.

U.S. President Bush blared that any one who wants to be a millionaire must act according to a market economy, saying the capitalist market economy is "a yardstick showing social democracy."

This is a nonsensical talk meant to conceal the reactionary nature of the capitalist market economy which aggravates the polar gap and antagonism in the form of "the rich getting richer and the poor poorer."

The capitalist market economy is, above all, a corrupt economy which results in two extremes of poverty and wealth.

Under the capitalist market economy wealth is concentrated on one extreme in the course of the motion and circulation of capital and, subsequently, the rich get richer and the process of relative and absolute poverty of the poor is accelerated on the other extreme.

The material assets created in capitalist society are results of harsh plunder of other nations and of the sweat and blood of the people at home. These assets must be dedicated to the people who created them. But the capitalists take exclusive possession of them in capitalist society where free competition based on the jungle law are fierce. Hence, it inevitably becomes a factor that increases the gap between the rich and the poor.

The capitalist market economy also begets massive unemployment and, at the same time, brings about then formation and battening the big monopoly businesses.

If one is to survive in capitalist society, he must win in the free competitions. Rise or fall in the free competitions is determined by the means of production of individuals and their property status, exploitation and plunder. The working masses only become an object of exploitation and oppression because they have no means of production and property.

Free competitions result in wholesale bankruptcy of minor businesses and then massive unemployment.

It is only monopolies that rake in profits from the competitions.

The big profits and wealth of monopoly capitalists are accumulated at the expense of the interests of the broad sections of working masses and small and medium businesses who go bankrupt and fall into their hands.

The capitalist market economy also results in a deformed material life, a poor cultural life and a reactionary political life, thus leading the society to destruction.

The reactionary essence of contemporary capitalist society lies in a deformed material life, a poor cultural life and a reactionary political life and its socio-economic foundation is the market economy.

The market economy makes the material-first idea prevail in the whole of society only to bring about the extreme gap between the rich and the poor in economic life and, at the same time, make cultural life poor and political life corrupt.

Capitalist society under the sway of the market economy is a world of animals based on the jungle law.

KCNA Reviews 5 Oct Pyongyang Press

SK0510065391 Pyongyang KCNA in English 0512 GMT 5 Oct 91

[Press review]

[Text] Pyongyang October 5 (KCNA)—Papers here today highlight photo-accompanied reports that Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, arrived in Beijing on October 4 to pay a visit to China at the invitation of Comrade Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, and Comrade Yang Shangkun, posident of the People's Republic of China, and accounts of a meeting of Comrade Kim Il-song with Comrade Jiang Zemin, talks between them and a report that Comrade Jiang Zemin and Yang Shangkun arranged a grand banquet in honor of Comrade Kim Il-song.

The Chinese PEOPLE'S DAILY reported the brief history of the revolutionary activities of President Kim Il-song and gave a special write-up with an editorial entitled "Warm Welcome to President Kim Il-song," says the press.

NODONG SINMUN reports that President Kim Il-song's works were studied and disseminated in Tanzania and Guyana.

The paper informs the readers that the dear leader Comrade Kim Chong-il's work "The Workers' Party of Korea Organizes and Guides All the Victories of our People" was studied and disseminated in different countries.

Appearing in papers is news that thanks of the central committee of the Workers' Party of Korea were conveyed to the units and working people for their help in the projects of building a spring well and Spa medicinal water of Lake Chon on Mt. Paektu. [Word indistinct] given in papers is news that a modern salt factory will be built in the industrial city of Hamhung and autumn harvesting is in full swing on cooperative farms.

Papers give an account of friendship gatherings with participants in the international solidarity march for supporting Korea's reunification.

Seen in dailies is news of the sojourn in New York of Premier Yon Hyong-muk and Vice-premier and Foreign Minister Kim Yong-nam who are participating in the 46th United Nations General Assembly session.

NODONG SINMUN gives accounts of a DPRK book, photo and handicraft exhibition held in Cameroon and a Korean book and photo exhibition in Nigeria.

An indignation meeting of students in Pyongyang was held to denounce the South Korean authorities for refusing to allow students of Konguk University in Seoul to visit the northern half of the country and the chairman of the Central Committee of the General Federation of Trade Unions of Korea issued a statement in this connection, says the paper.

The paper conveys news that a graduation diploma was posthumously awarded to martyr Choe Tok-su, a student of Tanguk University, who had been registered as an honorary student at Kim Il-song University. He was killed while fighting for the democratization of the South Korean society.

Papers carry a letter of the Korean Democratic Lawyers' Association to the lawyers organisations of all countries and international law organisations appealing to them to wage an international rescue movement for the return to the northern half of Korea Yi In-mo, a former war correspondent of the Korean People's Army who was released after suffering all manner of tortures and maltreatment in [name indistinct] for 34 years in South Korea.

According to the press, the chairman of the Students Committee of Kim Chaek University of Technology was interviewed by a reporter on the question of a meeting of students agreed upon by the general student council of Hanyang University of South Korea and the students committee of Kim Chaek Unversity of Technology.

Carried in Nodong Sinmun is a statement published by the Central Committee of the South Korean National Democratic Front in denunciation of the bellicose remarks of the South Korean puppet defence minister.

It reports that the secretariat of the Committee for the Peaceful Reunification of the Fatherland issued its Information No. 601 accusing the South Korean authorities of cracking down upon the pro-reunification, democratic forces, and the U.S. imperialists and the South Korean puppets are bent on war games aimed at increasing the war capacity against the North.

Printed in the paper are a commentary denouncing the South Korean authorities' decision to sharply raise the people's tax burden next year and an article exposing the revival of former dictator Chon Tu-hwan and ghosts of the "Fifth Republic" in South Korea.

The Namibian prime minister said his Korean visit was impressive, secretary of the C.C. [Central Committee], the Communist Party of India (Marxist) Sitam Yechkriland [name as received] the Indian newspaper NEW AGE hailed the DPRK's U.N. membership, says the paper.

The paper reports that the Zambian president stressed the role of the non-aligned movement, the 31st indepepdence anniversary was celebrated in Cyprus and the People's Assembly of Egypt condemned the U.S. President for seeking to cancel the U.N. resolution branding zionism as racism, according to the paper.

The daily introduces the development of Shanghai and MINJU CHOSON that of Beijing.

An article of NODONG SINMUN analyses the reaction of the countries concerned to the proposed convocation of Middle East Peace Conference. "Imperialists' Economic Plunder of Developing Countries" is the headline of an article of the paper.

Kim Il-song Makes Visit to PRC

WA0710152691

For reportage on Kim Il-song's visit to the PRC, including his talks with Jiang Zemin, general secretary of the CPC Central Committee; Li Peng, premier of the State Council; and Yang Shangkun, president of the PRC; please see the Northeast Asia section of the 3 October China DAILY REPORT and subsequent issues.

South Korea

Soviet Arms Reduction Proposal Welcomed

SK0710103491 Seoul KBS-1 Radio Network in Korean 1000 GMT 7 Oct 91

[Text] On behalf of the ROK Government, a spokesman for the Foreign Ministry released a statement today saying that the ROK Government welcomes the decision by Soviet President Gorbachev to abolish and reduce nuclear weapons on a large scale.

Cho Won-il, a Foreign Ministry spokesman, also said that this decision by a nuclear state will reduce the horror and danger of nuclear weapons and greatly contribute to alleviating tension and to promoting peace in Northeast Asia, including the Korean peninsula, and the world.

Seoul 'Likely' To Sign PRC Trade Agreement

SK0610011191 Seoul THE KOREA HERALD in English 6 Oct 91 p 1

[Text] Korea and China will likely sign a trade agreement within this year, removing the biggest stumbling block to further promoting their bilateral trade.

Tentative agreement on the trade accord conclusion is expected to be reached as early as this November when working-level officials of the two countries meet in Seoul to complete the discussion of detailed terms and conditions of the agreement, government officials said yesterday.

The trade accord is one of the three basic economic agreements which the Seoul government has tried to conclude with China. The other two are related to investment protection and double taxation avoidance.

"The government hopes, as a matter of course, that we will be able to settle the three accords in a package," the officials said. "But if that's hard to expect at this stage, we will strive for the conclusion of the trade agreement as early as possible."

There has been little difference in the Chinese position to the Korean stance in this regard, said a ranking government official.

The Beijing government has been rather reluctant to sign the agreements, at least officially, apparently conscious of the response from its long-time ally, North Korea, he said. With the two-way trade between Seoul and Beijing amounting to $3.8 billion as of last year, more than seven times that between Beijing and Pyongyang, the Chinese officials appear to have decided to put priority on real economic interest rather than on empty cause.

Because Korea and China have yet to establish a full diplomatic relationship, the trade agreement will be signed by their private trade organizations—the Korea Trade Promotion Corp. and the Chinese Chamber of International Commerce.

As guaranteed by their governments, however, the accord will have the same effect as the governmental-level agreement, the officials said.

When it goes into effect, the agreement will, among other things, help cut the high Chinese import tariffs on Korean products by between 5 percent and 30 percent, they said.

Owing to the lack of such an accord, China, a non-member of GATT, has imposed a high differential import duty on Korean imports as it has done on the goods of such countries as Israel and South Africa, with which Beijing has no formal diplomatic relationships.

On the contrary, Seoul has levied preferential tariffs on Chinese imports, by offering the most-favored-nation status to Beijing.

According to the MTI [Ministry of Trade and Industry] statistics, Korea's imports from China totaled $2,149 million in the first eight months of this year, a hefty increase of 60.4 percent, compared with exports of $1,470 million causing a loss of $679 million. China is Korea's largest trading partner among the socialist countries, accounting for more than half of Seoul's trade with the so-called "northern" countries.

The officials said they hope that the successful conclusion of the trade accord will facilitate the shipments of such items as steel, consumer electronics and petrochemicals to China, amid a sharp overall trade expansion.

Yi Sang-ok: 'No Hurry' for Improving PRC Ties

SK0510032291 Seoul YONHAP in English 0302 GMT 5 Oct 91

[Text] United Nations, Oct. 4 (YONHAP)—South Korean Foreign Minister Yi Sang-ok, predicting that Seoul-Beijing relations would not be normalized overnight, said Friday his government was in no hurry to set a deadline.

What counts in South Korea-China relations was whether the two nations made headway and accumulated experiences, Yi told Korean reporters while summing up his trip.

During the last three weeks, Yi has seen South and North Korea formally admitted to the world body, escorted President No Tae-u to Mexico and returned to the United Nations to reopen diplomatic activities with member states, primarily non-aligned nations.

In a meeting with Chinese Foreign Minister Qian Qichen, Yi was told China wished quiet but substantial mutual development and improvement of inter-Korean dialogue. This and the state of Pyongyang-Beijing relations since the failed Soviet coup indicated to him that progress would be slow, Yi said.

South Korea, he suggested, might consider diplomatic measures against North Korea for its continued refusal to allow international inspection of its nuclear facilities, which is an obligation for a nuclear non-proliferation treaty signatory.

"But we will wait and see what North Korea does as we believe it must have understood fully what the rest of the world thinks about its nuclear program," Yi said.

On Friday, he spent the whole day meeting with his opposite numbers from various nations to discuss ways to strengthen economic cooperation. Among them were Foreign Ministers Hector Gross Espiell of Uruguay, David Coore of Jamaica, Saw Maung of Myanmar and Viktor Vulkov of Bulgaria.

Seoul To 'Wait and See' on North's Response

SK0610110391 Seoul YONHAP in English 1046 GMT 6 Oct 91

[Text] Seoul, Oct. 6 (OANA-YONHAP)—South Korea will wait and see North Korea's response to international demands for acceptance of nuclear inspection before taking any action, Foreign Minister Yi Sang-ok said Sunday.

Asked whether North Korea's signing of the nuclear safeguards accord will be linked in any way to the timing of U.S.-deployed nuclear weapons from South Korea, Yi said, "we will have to wait and see."

Yi returned to Seoul Sunday evening after a three-week visit to the United Nations. South and North Korea became U.N. members Sept. 17. The foreign minister met with his counterparts from 22 nations during his visit, including Qian Qichen of China, and accompanied President No Tae-u on his state visit to Mexico.

South Korea will not take immediate action to press North Korea on nuclear issues but will first wait and watch for North Korea's response, he said.

Seoul will then decide on whether to seek international cooperation on pressing North Korea, the foreign minister said.

Asked if he knows of any high-level contacts between North Korean and U.S. officials at the United Nations, Yi said North Korean Foreign Minister Kim Yong-nam met with former U.S. President Jimmy Carter and invited him to visit Pyongyang.

Carter notified South Korea that he will consult closely with the Seoul government before making any decision on the Pyongyang visit, he said.

Carter is likely to send an advance team to North Korea to tap on the possibility of his Pyongyang visit, Yi said.

Editorial Views Kim Il-song Visit to Beijing

SK0610010391 Seoul THE KOREA TIMES in English 6 Oct 91 p 6

[Editorial "Seoul-Beijing Relations"]

[Text] Kim Il-song's current visit to Beijing may be a crucial event cementing the "lips and teeth" ties of the two communist allies in view of the rapidly changing world situation, but it is also expected to have a grave bearing on the future development of relations between Seoul and Beijing.

The pace of political rapprochement of China and the Republic of Korea has been slow, especially compared with that in the improvement of our ties with Moscow and former socialist countries in Eastern Europe. The main reason for this is no doubt the peculiar relations between China and North Korea.

The Chinese government has maintained the position of not recognizing the Republic of Korea or establishing diplomatic ties with it, though it has promoted substantial economic cooperation. Seoul and Beijing have exchanged trade representative offices in each other's capitals and they increased their two-way trade volumes to some $3.8 billion last year, the largest in the non-capitalist market.

However, in the political field, Beijing has deliberately shunned full diplomatic ties because of Pyongyang's hardline stand against Seoul. And their comradeship has been deepened since the Tiananmen bloodshed and the collapse of communism in the Soviet Union and East Europe.

Nonetheless a recent meeting between Korean Foreign Minister Yi Sang-ok and his Chinese counterpart Qian Qichen marks a turnabout in Beijing's diplomacy toward the Seoul government and the ending of the long-standing practice of avoiding official contacts with ranking government officials. The Yi-Qian talks were formal with the attendance of their subordinate officials at the United Nations Headquarters.

Of greater significance is the fact that the first-ever ministers' meeting closely followed the two Koreas' simultaneous admission into the United Nations and shortly predated North Korean leader Kim Il-song's official visit to Beijing.

During their 35-minute talk, the two foreign ministers reportedly did not go into detail though they could have discussed inter-Korean relations, Seoul-Beijing ties, North Korea's nuclear policy and Asia-Pacific problems. The two will meet again when the Chinese minister visits Seoul to attend the third ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) in November.

The Yi-Qian conversation was rather superficial, reaffirming the basic positions of their two governments, with Yi calling for early diplomatic normalization and Qian emphasizing the development of substantial ties in a quit and gradual manner.

Besides this, the discussion took up the Korean proposal for the conclusion of agreements concerning trade and an investment guarantee as well as the opening of direct air flight routes. The Chinese government must have felt the need for these economic accords but political considerations notably of Pyongyang's position have stood in the way.

While Kim Il-song was meeting top Chinese leaders on his 39th visit to Beijing since the establishment of the two governments, observers speculate that the North Korean president will ask China to refrain from any premature normalization of ties with Seoul or to wait at least until the opening of diplomatic ties between Pyongyang and Tokyo.

Chinese secretary Jiang Zemin is reported to have advised Kim in their talks to catch up with the change of the times but it will not be easy for the aged Beijing leaders to ignore Kim's wishes. If China is to normalize ties with Seoul, therefore, it has to first back Pyongyang's effort to improve its relations with Japan.

And paradoxically enough, the Pyongyang-Tokyo normalization is greatly dependent upon North Korean compliance with the increasing pressure from the United States, Japan and other Western powers to scrap its nuclear arms development program and allow international inspection of its nuclear facilities.

Taking advantage of Kim's visit, the Chinese leaders need to persuade him to accept the international calls for nuclear non- proliferation, so that its now foremost ally can end its international isolation and find a way out of impending economic collapse.

Editorial Views North Premier's UN Speech

SK0510013491 Seoul THE KOREA HERALD in English 5 Oct 91 p 8

[Editorial: "N.K. Premier's U.N. Speech"]

[Text] Indeed, much had been expected from the speech of North Korea's Premier Yon Hyong-muk at the U.N. General Assembly this week as it was to be the first such occasion since both South and North Korea were granted U.N. membership last month, an epoch-making event in 46 years of Korea's territorial division. But, he offered nothing new nor dramatic, largely renewing similar bids made earlier in Pyongyang.

Yon's speech, in many eyes, smacked of a political offensive, repeating Pyongyang's previous claims for the same old unification formula based on a confederation, withdrawal of U.S. forces from Korea, and so forth. It was in contrast to South Korean President No Tae-u's address at the same world forum late last month. No's prime thrust was the practical plea, as a follow-up to U.N. admission, for building mutual respect as a prerequisite to peaceful coexistence between the two parts of Korea pending eventual unification.

Premier Yon's call for nonaggression and disarmament, in principle, is worthy of pursuit even for their limited and symbolic value. And it could no doubt mark a big step forward in our quest for detente and reconciliation on the Korean Peninsula. Yet, what matters is how this is to be carried out with the good faith, sincerity and firm commitment of the parties concerned.

Particularly absurd was Yon's assertion about the so-called concrete barriers south of the Demilitarized Zone. As amply proven by free visits to and inspections of the barriers by all interested people, there exist no such concrete obstacles to impede free travel of South and North Koreans as Yon claimed. The only barrier that persists is the inflexible and obstructive attitude of North Korea on inter-Korean movement and communications.

On the vital issue of nuclear armament, Yon said Pyongyang would abide by the terms of the International Atomic Energy Agency and submit its nuclear facilities to international inspection if the United States agrees to withdraw its nuclear arms from South Korea. The North Korean bent for delay tactics and lip service should now give way to straightforward and responsible action. Not the wording or lucidity of rhetorics, but earnest adherence to its spirit is what matters.

Despite external conditions changing rapidly in favor of easing tension in and around the Korean Peninsula and fostering inter-Korea detente, little or no change has been visible as far as North Korea is concerned. Pyongyang has only reaffirmed its commitment to the orthodox socialist road, which could have prompted its leader Kim Il-song to make his current visit to Beijing. Unlike previous visits, the two Communist states made Kim's visit public to show their solidarity after the changes in Moscow, which has been replaced by Beijing as North Korea's main backer.

Whatever the purpose of Kim's visit, Pyongyang needs to comprehend what would best serve its interests by accepting the demand and need for effective inter-Korea dialogue. Pyongyang must now stop quibbling and follow the worldwide current of reform and openness. Any further gimmicks will only be to its discredit.

North Foreign Minister Reveals U.S. 'Contacts'

SK0610111691 Seoul HANGUK ILBO in Korean 6 Oct 91 p 1

[Report on interview with Kim Yong-nam, DPRK foreign minister, by correspondent Choe Chae-ung at the Waldorf-Astoria Hotel in New York on 4 October]

[Text] On 4 October, Kim Yong-nam, foreign minister of North Korea, currently on a visit to New York to attend the 46th UN General Assembly, revealed that "various contacts" to establish U.S.-North Korea diplomatic relations were held. Thus, he strongly implied that high-level talks were held between both countries.

He revealed such a fact in an exclusive interview with HANGUK ILBO at the Waldorf-Astoria Hotel in New York City, and he added that "we hope that positive fruition in the DPRK-U.S. talks to normalize diplomatic relations will be borne in the near future."

Concerning North Korea's refusal to accept nuclear inspection and the prospect of improving relations with the United States, Minister Kim said that "taking advantage of this opportunity to visit New York, I held talks with figures of all strata in the United States, including political and social figures and scholars, and I exchanged deep views over issues of interest to each other, including the issue of nuclear inspection."

Ho Chong, North Korea's deputy ambassador to the United Nations and a counselor at the embassy, attended the interview.

After urging that President Bush's measure for withdrawing short-range nuclear weapons be carried out on the Korean peninsula as soon as possible, Minister Kim said that "the issue of establishing DPRK- U.S. diplomatic relations should not be delayed because of the issue of nuclear inspection." Thus, he expressed a strong desire to improve relations with the United States.

In the course of arranging a banquet for approximately 200 people, including pro-North Korean figures and diplomatic envoys, held at the Waldorf-Astoria Hotel, Minister Kim hurriedly left the hotel with four or five suite members and did not return. In connection with this, diplomatic officials in New York thought that Minister Kim and his entourage might meet with U.S. Government figures.

North Foreign Minister on Nuclear Inspection

SK0610120591 Seoul HANGYORE SINMUN in Korean 6 Oct 91 p 3

["Exclusive interview" with Kim Yong-nam, DPRK foreign minister, by correspondent Chong Yon-chu in New York on 4 October]

[Text] [Chong Yon-chu] Since North Korea expressed its willingness to accept nuclear inspection last June, various different reports have been given on conditions for nuclear inspection. Would you clearly tell us what North Korea's position is?

[Kim Yong-nam] We have believed that the U.S. bases and nuclear weapons must be first withdrawn from South Korea to achieve the independent, peaceful reunification of the Korean peninsula. Also, we have demanded it so far. However, the United States has pursued a military buildup and conducted the Team Spirit exercise and other large-scale military exercises that are no different from a test nuclear war.

To remove such a nuclear threat, we have examined our subscription to the Nuclear Nonproliferation Treaty. We expected that if we subscribed to this treaty, the United States would withdraw nuclear weapons from the South to fulfill the treaty's legal obligation.

[Chong] What is the treaty's legal obligation?

[Kim] It is the legal clause that nuclear states must not resort to nuclear threats against non-nuclear states. The purpose and reason of our 1985 subscription to this treaty was to remove the nuclear threat by having the U.S. nuclear weapons completely withdrawn from South Korea and to ensure that the United States makes a legal promise not to use nuclear weapons.

[Chong] The withdrawal of those nuclear weapons is included in the 28 September proposal by President Bush to reduce tactical nuclear weapons.

[Kim] We welcome President Bush's proposal in that respect. However, President Bush's proposal has two interesting points. One is: Based upon the neither confirm nor deny policy on nuclear weapons, the United States had acted as if there were no nuclear weapons on the Korean peninsula. However, through Bush's proposal, the United States itself admitted that its nuclear weapons exist in the South. The other is: They had insisted that the withdrawal of the U.S. nuclear weapons and our acceptance of nuclear inspection were separate issues. However, when President Bush's proposal was advanced, they said that the nuclear weapons would be withdrawn from South Korea and that, then, our Republic would accept nuclear inspection. This means that those two are not separate but interrelated issues.

[Chong] Is it all right for us to think that the North will accept nuclear inspection if nuclear weapons are withdrawn from the South, as President Bush proposed?

[Kim] We will automatically.

[Chong] What will happen to the second condition that the United States must guarantee in writing that it would not resort to nuclear threat? In response to this, the U.S. State Department said: "Unless the United States and its allies are under armed attack, the United States will not launch a preemptive nuclear strike, and this general principle applies to North Korea, too." However, North Korea has held the position that a special guarantee is necessary, because the situation on the Korean peninsula is special. Will the second condition, that is, a special guarantee, still be necessary even if the nuclear weapons are withdrawn, as President Bush proposed?

[Kim] We have demanded this, because a special guarantee is necessary under special circumstances in which nuclear weapons exist in the South. However, at this time, with President Bush's proposal, if the U.S. nuclear weapons are completely withdrawn, then this issue will be resolved naturally.

[Chong] Then, will what has been hoped for be realized?

[Kim] Yes. However, I think that the withdrawal of the U.S. nuclear weapons must be followed by an inspection designed to see that those weapons are truly withdrawn. I think that nuclear inspection must be done not only on us but also on South Korea.

[Chong] I know that during your stay in New York, you met various personages within the U.S. administration and former members of it to improve North Korea's relations with the United States.

[Kim] I met former President Carter on 30 September. I also met former and incumbent officials and scholars.

[Chong] During his UN speech, Premier Yon Hyong-muk said that if the high-level talks go well, the highest-level talks, that is, North-South summit talks, would be possible. What do you mean by going well?

[Kim] We mean that the summit talks would be possible if a basic agreement is reached on specific and effective ways and means to achieve peaceful reunification.

[Chong] Would you elaborate on this?

[Kim] The summit talks must be an occasion to bring an epochal turn for reunification, and there must be preparations toward that end.

[Chong] What specific preparations are necessary?

[Kim] A nonaggression declaration must first be signed. A North-South political consultative conference of all the political parties and public organizations must take place. This must be followed by a discussion on a plan to achieve peaceful reunification.

[Chong] The Soviet Union is collapsing, and the socialist regimes in East Europe have collapsed. Aren't you uneasy?

[Kim] No, not at all. Rather, this means that our lines and policies have been objectively proven correct. The Soviet Union failed to make socialism take root among the popular masses, and the socialist regimes in East Europe have perished because they transplanted the Soviet-style socialism as it was and because that socialism was not suitable for their countries' realities. Our socialism, which is based upon the chuche idea, is a thorough Korean-style socialism and stands on the basis of the popular masses' firm support.

Kim Il-song Said To Meet Deng Xiaoping

SK0610075691 Seoul CHOSON ILBO in Korean 6 Oct 91 p 1

[Article by correspondent Kim Yong-su from Hong Kong]

[Text] It has been learned that Kim Il-song of North Korea, currently on an official visit to China, held a secret talk with Deng Xiaoping, the Chinese man of supreme power behind the scenes, on 5 October. Kim Il-song discussed with him the issues of the ROK and China establishing diplomatic relations, economic cooperation between both countries, and coping with the international situation.

It has also been learned that Deng Xiaoping, the Chinese man of supreme power, who has not received foreign figures for the past one year, abruptly visited Diaoyutai

State Guest House, where Kim Il- song is staying, on the morning of 5 October and exchanged views with him for a long time.

DPRK-USSR Ministers To Exchange Visits

SK0610114291 Seoul KBS-1 Radio Network in Korean 1000 GMT 6 Oct 91

[Report by correspondent Chon Yo-ok from Tokyo]

[Excerpt] It has been learned that the Soviet Union is beginning to improve relations with North Korea, which had rapidly cooled.

Igor Rogachev, Soviet deputy foreign minister, in an interview today with the Japanese newspaper SANKEI SHIMBUN, said that Kim Yong-nam, North Korean foreign minister, and he will alternately visit North Korea and the Soviet Union in the near future and that relations will be improved in various fields.

Deputy Foreign Minister Rogachev said that the prime aim of his visit to Pyongyang slated for mid-November is to improve relations with North Korea, which have cooled. He judged that North Korea has recently shown some great changes, such as entry into the United Nations and a proposal for turning the Korean peninsula into a nuclear-free zone. [passage omitted]

No Warns North of Sanctions for N-Arms Program

SK0410131491 Seoul YONHAP in English 1242 GMT 4 Oct 91

[Text] Seoul, Oct. 5 (OANA-YONHAP)—President No Tae-u on Friday warned North Korea of possible international sanctions if it goes ahead with its nuclear weapons development plan and urged Pyongyang to sign the nuclear safeguards accord.

North Korea's refusal of international inspection on its nuclear facilities shows it still has not abandoned high-risk military tactics, No said in an interview with the vernacular daily KYONGHYANG SINMUN on its 45th anniversary.

To take any action in disregard of this reality may invite military threat, No said, implying opposition to South Korea's unilateral arms reduction.

The president said Korean unification will be expedited once North Korea adopts openness policy and repeated his confidence that Korea will be reunified within this century.

No said South Korea-China relations have expanded to political sector, apparently referring to Wednesday's meeting between foreign ministers at the United Nations. He predicted a "desirable" progress in Seoul-Beijing ties, suggesting diplomatic normalization in an early future.

On possibility of a cabinet reshuffle after the National Assembly ends its current session, the president said reappointments are possible to prepare for the next National Assembly.

Asked on the timing and procedure of nominating his party's candidate for the next presidential election, No declined to give a straight answer, simply saying, "Do not speculate on what the president's thoughts are. Observe what people are thinking. I am," he said.

No Tae-u Predicts Reunification 'This Century'

SK0710071791 Seoul YONHAP in English 0703 GMT 7 Oct 91

[Text] Chonju, Oct. 7 (YONHAP)—South and North Korea will be united within this century, President No Tae-u predicted Monday.

"That day is not very far away when all 70 million Korean people will share the happiness of unification and reconciliation," he said. No was speaking at the opening of the national athletic meet in the provincial capital of Chonju, 185 kilometers south of Seoul.

The Seoul Olympics were a catalyst in ending the cold war and filling the world with reconcilation and cooperation, and the 72nd national meet would be a place of reconciliation in which the South Korean people vowed to proceed toward a unified country in the 21st century, he said.

A total of 22,000 athletes from across Korea and from Korean communities across the world will contest 35 events in the week-long competition.

Sports and Youth Minister Pak Chol-on declared the meet open in a ceremony that was also attended by Kim Chong-yul, president of the Korea Amateur Sports Association.

Kim Yong-sam Urges North To Accept Inspection

SK0710022791 Seoul YONHAP in English 0205 GMT 7 Oct 91

[Text] Seoul, Oct. 7 (YONHAP)—Kim Yong-sam, executive chairman of South Korea's ruling Democratic Liberal Party, Monday urged North Korea to accept international inspection of its nuclear facilities.

Addressing a National Assembly plenary session, Kim also said joint admission of South and North Korea to the United Nations was an interim stage and national reunification had become a substantial and concrete issue.

Kim, the No. 2 man in the ruling party, told the assembly that he would do his best for progress on arms reduction in both Koreas. Prime Minister Chong Won-sik and the cabinet joined the lawmakers who heard Kim's speech.

Kim urged them to pool their ability and power to promote national reunification and make Korea an advanced nation.

"What we have to do now, as the possibility and expectations for unification have been heightened, is make preparations for unification steadily," Kim said in the address, broadcast live across the country.

Expressing worries about the economic difficulty facing the nation, Kim called for more effort to revitalize the economy.

It was necessary to introduce clean politics and elections using less money to restore the public's confidence in Korea's politicians, he said.

The National Assembly election law should be revised to strengthen the punishment for illegal campaigning and to expand the public management of elections, he said.

"It is commonly accepted view that the current election system is incompetent and cannot prevent overheated elections or corrupt elections," he said.

He asked the assembly to study a draft revision of the election law prepared by the central election management committee for use as a reference in revising the law.

Those who won an assembly seat illegally should be expelled and the thinking that election to the National Assembly through illegal means was ok should be eradicated, he said.

The assembly will hear a speech by Yi Ki-taek, co-leader of the opposition Democratic Party, on Tuesday, and the government's budget speech on Wednesday.

Lawmakers will question the government in plenary sessions from Thursday until Oct. 15.

North Defector on DPRK Succession Issue

SK0510130391 Seoul SEOUL SINMUN in Korean 1 Oct 91 p 6

[Third installment of article entitled: "Ko Yong-hwan, Former Interpreter for Kim Il-song and High-Ranking North Korean Diplomat, Speaks"—"Pyongyang Regime Whose Succession Process Only Remains"]

[Text] I recently noted that South Korean media expressed their concern over the fact that NODONG SINMUN carried a photograph of Kim Song-ae, Kim Il-song's second wife. It is correct to see this as a political calculation of high caliber designed to suggest the fact that Kim Chong-il's control is solid and firm and to change Kim Chong-il's image in connection with Western media's criticism that he slights Kim Song-ae, his stepmother, and his stepbrothers.

It is said that Kim Song-ae and Kim Chong-il's stepbrothers, including Kim Pyong-il, and the first-generation revolutionaries may resist Kim Chong-il's succession of power. However, this is a mere assumption.

Here is an episode of Kim Chong-il's checking on his stepbrothers.

In 1982, Kim Pyong-ha, the then chief of the Bureau of Political Security, was suddenly fired from his post for his "love affairs" and luxurious lifestyle. When Kim Chong-il ordered Kim Pyong-ha to place his stepbrothers, including Kim Pyong-il and Yong-il, under surveillance, Kim Pyong-ha opposed the idea, saying: "How can I do so when the leader is alive?" As a result, Kim Pyong-ha was purged.

Whenever Bulgarian Ambassador Kim Pyong-il attended a diplomatic conference he always showed a straightforward attitude, giving an impression that the look in his eyes was alive. Nevertheless he only remains around the edge of power. Kim Pyong-il, who is 37 years old this year, is recognized by the North Korean people due to the very image of Kim Chong-il in his political appearance and due to his clearheadedness. Since he is not a legitimate child he is considerably ill-treated by Kim Chong-il. He receives no help other than sympathy that he is "unfortunate."

As the Bulgarian ambassador he yells at his subordinates by saying: "I am also working under the order of the comrade leader. Why are you conducting business without me?" However, no one attempts to make contacts with him or reports to him on works being carried out. This is because all the people who meet Kim Pyong-il are under thorough surveillance such as handing in a detailed report on why one met with him to the No. 10 room of the party Organization and Guidance Department.

Czechoslovakian Ambassador Kim Kwang-sop, who is the husband of Kim Chong-il's stepsister Kim Kyong-il, "has lost focus in his eyes and is always hanging his head." It seems that he is living as if he has given up hope in the diplomatic circle.

Other relatives by blood or marriage include Kim Talhyon, Kim Il-song's cousin once removed and chairman of the External Economic Committee; Kim Chang-chu, vice premier in charge of agriculture and first son of Kim Hyong-nok who is Kim Il-song's uncle; Kim Pong-chu, chairman of the Central Committee of the General Federation of Trade Unions of Korea and second son of Kim Hyong-nok; and Kim Son-chu, director in charge of the political department of the Mangyongdae Revolutionary School and third son of Kim Hyong-nok. These people are being loyal to Kim Il-song and son only from a distance which is far from the core of power. Rumors that Kim Yong-sun, director of the party's International Department, is a relative by blood or marriage are groundless.

There is discord between the reformists and conservatives in North Korea and there are rumors that the first-generation revolutionaries, especially the military veterans, are dissatisfied over Kim Chong-il's succession of power, but this is also merely an assumption which was conceived by the West.

O Chin-u, minister of People's Armed Forces who is known as a godfather of the first generation of the revolution, along with Yim Chun-chu and Ho Tam, repressed complaints by Choe Yong-kon, then vice president of the state, and others when Kim Chong-il was nominated as secretary of the party in charge of organization, propaganda, and agitation in 1973. For such a meritorious deed, O Chin-u could constantly maintain the third rank in power. However, his dotage has become very severe recently, and he is so seriously losing even the ability to command as to evoke the people's complaints that "O Chin-u should die at an early date. Otherwise, the People's Army will perish."

When the Army was preparing a winter season military exercise last year at Kim Chong-il's directive, O Chin-u talked big, stating that "this kind of exercise is not necessary. I will handle this by myself." But since being scolded by Kim Chong-il, who said, "Why don't you conduct the exercise?", he in turn scolded the soldiers under his command, shouting "You rascals! Why don't you prepare the exercise?" Then, his subordinates refuted that, saying, "Did not you, Comrade Minister, order us to halt the preparations?" To this, he lost his temper, stating, "I never said that. You guys must be ridiculing me, as I am an old man!", thus showing his dotage. All this was revealed by a military official who came to Zaire with a Foreign Ministry delegation last year.

Yi Ul-sol, commander of Kim Il-song's bodyguard force, gave a preposterous reply to Kim Il-song's question during a dinner arranged by Kim Il-song, and the participants had a hard time repressing laughter.

Nearly all of the first generation of the revolution who are older than 70 are merely maintaining their positions nominally under Kim Il-song's care as his old comrades. They are enjoying their declining years.

There is no reformers' faction in the true sense in North Korean society.

In 1987, professors and lecturers of the industrial management department in the College of National Economy recommended the introduction of a Chinese type of "agricultural method based on family responsibility" (a kind of land-lease system). Kim Hwan, chairman of the Chemical and Light Industry Committee and a technocrat, submitted this recommendation to Kim Chong-il. However, this evoked Kim Chong-il's anger. As a result of this, Kim Hwan was demoted from the 10th rank of power to the 50th.

Since then, the technocrats in the economy-related department, theorists of the Higher Party School, and all the bureaucrats are doing quietly only what they are ordered to do. They are saying: "Because I have my own car, eat well, and live well, is there any need to bring misfortune to myself?"

The Soviet Union is openly expressing dissatisfaction over Kim Chong-il's succession to power in many ways. However, it would be correct to judge that China recognizes Kim Chong-il as the next leader of North Korea and that it is giving strong support to this. Based on this, China is working to form an Asian socialist league linking China, Vietnam, and North Korea to fight against the strong wave of Soviet style reforms and openness.

Because the power base is firm, Kim Chong-il's succession to power is an inevitable fact. The time for his succession to power, it seems, will be in the fall of 1993.

North Korea is throwing all its energy into celebrating Kim Il-song's 80th birthday in 1992 as the greatest celebration since the DPRK's founding. Because North Korea's economy, which cannot satisfy even basic desires, is powerless, North Korea cannot invite congratulatory delegations from friendly nations even twice in one year.

When the seventh party Congress is held, North Korea's Third Seven-Year Plan will have been completed and negotiations to establish diplomatic relations between Japan and North Korea will have been finished. Therefore, it is highly possible that celebrations for Kim Il-song's birthday will be held during the latter part of next year, because $5 billion worth of compensation will have been paid by Japan.

At this time North Korea will be able to take a breath since it will have revived to some degree the economy that was on the verge of collapse.

It seems that Kim Chong-il will succeed the position of party general secretary at the seventh party congress and that a new economic plan and important policy line also will be announced at this time.

On Dealings With Japan

SK0610135191 Seoul SEOUL SINMUN in Korean 3 Oct 91 p 5

[Fourth installment of article entitled: "Ko Yong-hwan, Former Interpreter for Kim Il-song and High-Ranking North Korean Diplomat, Speaks"—"Japan Has Fallen on Its Knees: The Theme of Propaganda"]

[Text] North Korean specialists on diplomatic affairs believe that Japan does not want the reunification of the Korean peninsula and that it conducts negotiations with North Korea in order to keep the balance of power between the North and South in place according to this line of thinking.

These specialists believe that Japan has decided to offer financial support to North Korea until the North and South reach parity in economic strength, assuming that "North Korea has weakened and South Korea has become stronger," and secretly hoping that "South Korea could wait until such time as Japan has gathered political strength, that is to say, until it has gained international stature commensurate with its economic strength." Only then will Japan, it seems, use the North card against the South and the South card against the North to shoulder its way in between them.

This is what has encouraged North Korea to start negotiations with Japan, hoping that it can extract from Japan "reparations," expected to be in the neighborhood of $5 billion, on the understanding that "the end justifies the means." North Korea firmly believes that once it grows stronger with money, it does not matter where it gets that money, but that it can catch up with both Japan and South Korea.

As is widely known, it was a sense of an acute economic crisis that even the supreme leaders felt keenly that has sent North Korea embarking upon negotiations with Japan over the establishment of diplomatic relations.

Since the end of the 1980's, North Korea has kept thinking that it could no longer hope for economic aid from the Soviet Union and that China is not helpful either, because, while paying lip service to such matters as aid, it is deeply steeped in collecting profits in trade relations without overcharging or discounting.

Before starting negotiations with Japan, Kim Il-song and his son; Kim Yong-nam, foreign minister; Yon Hyong-muk, premier of the State Administration Council; and Kim Yong-sun, director of the International Department; discussed the issue. They agreed on negotiations after realizing that compensation from Japan is the only source of wherewithal with which to keep the economy of North Korea, which is bereft of virtually everything, alive even for a few years.

The North Korean system is such that it can last for another 20 to 30 years if only it can increase the contents of the people's rice bowls. However, because North Korea is incapable of meeting such a basic demand, it has had no choice but to start negotiations with Japan over the establishment of diplomatic relations.

North Korea, however, after starting negotiations with Japan, which has been regarded as a sworn enemy such as the United States and South Korea over the past 40 years, cited the following as part of an effort to persuade the people:

"Under the weight of the great leader Comrade Kim Il-song's fame, Japan has brought itself voluntarily to bend its knees before him and has apologized for the wrongdoings committed not only during the 36 years of colonial rule but also during the 45 years since the end of the war. Furthermore, it was none other than the dear leader Comrade Kim Chong-il's outstanding leadership that has led Japan to do such a thing." This theory was printed in full in a party booklet sent to the Foreign Ministry entitled "Text of a Lecture for Diplomats."
s four northern islands to the Soviet Union, we [North Korea] have lost one half of our land to the United States. Korea and Japan share the same feeling about the loss of their land. We support Japan's position."

This is what Kim Il-song said when Shin Kanemaru, former Japanese deputy prime minister, asked him to reveal the North Korean position on the issue of restoring the Northern Territories at a tete-a-tete with Kim Il-song last year in his countryside villa on Lake Yonpung.

Upon hearing Kim Il-song utter crafty political remarks such as these, Kanemaru kowtowed to Kim Il-song three times and thanked him. After this, the cool atmosphere that had prevailed in the first round of the group meeting began dissipating, thereby encouraging the delegates of the Workers Party of Korea from North Korea and the delegates of the Japanese Liberal Democratic Party and the Japanese Socialist Party [JSP] to agree in principle to normalize their countries' bilateral relations at an early date.

Last October, after the decision on normalizing diplomatic relations with Japan had been made, North Korea reorganized part of the Foreign Ministry. A new U.S. Bureau and a Japan Bureau have been added to the Foreign Ministry, which until that time had had only offices specializing in U.S. and Japanese affairs under the control of the Latin America Department and Northeast Asia Department. According to this, the number of personnel working in the Japan Bureau has been increased from two to 15 and eight diplomats have been appointed to the U.S. Bureau. In particular, the Japan Bureau is now manned with very able officials in observance of Foreign Minister Kim Yong-nam's special order that "bright officials, as valuable as gold, should be recruited for the Japan Bureau."

In the beginning, the North Korean officials were optimistic that the North Korean-Japanese negotiations over the establishment of diplomatic relations would be concluded by August or September at the latest this year. The basis of their optimistic calculation was that Shin Kanemaru, who signed the agreement on the principle governing the North Korean-Japanese negotiations, was a political heavyweight exercising practical influence in Japanese politics and that the JSP was a pro-North Korean party.

Even though the "accursed" nuclear inspection issue has ushered in a stagnant phase in the North Korean-Japanese talks over the establishment of diplomatic relations, North Korea is still optimistic about the outcome of the negotiations, believing that the talks will be concluded at least during the first half of 1992.

In its documents put on the table in the first round of negotiations with Japan, North Korea demanded that Japan pay North Korea a total of $10 billion in compensation. However, it does not expect to get that entire amount but thinks that it could end up being paid at least $5 billion in the course of negotiations. If civilian loans could be obtained in addition to this, it will help North Korea provide a breathing space for its troubled economy, which is on the brink of sinking.

The issue of allowing the Japanese wives of the Korean compatriots who have returned to North Korea to visit Japan has recently become controversial. I believe this issue will not be solved easily, because if the 6,000

Japanese wives open their mouths and talk about the reality in North Korea, North Korea will find itself in trouble. The two sides will probably try to find a political compromise on this issue.

After negotiations with Japan over the establishment of diplomatic relations began, a Japanese fad has caught on in North Korea. Anticipating that diplomatic relations will be established with Japan before the first half of next year, technicians, university professors, and even students are learning the Japanese language, making that language the most popular foreign language, far ahead of Russian and English.

* North Korean Economy Records 'Negative Growth'

912C0315A Seoul CHOSON ILBO in Korean 29 Aug 91 p 19

[Text] Last year the North Korean economy fell into a severe state of stagnation, recording negative growth (3.7 percent) for the first time since the armistice. In particular, because of shortages of energy and materials, the rate of operation of industrial facilities dropped to the level of 45 percent. Consequently, up until 1990, the average growth rate of the third Seven-Year Plan (1987-1993), which is now being carried out, is only 1.21 percent. This is far short of the 7.9 percent growth rate target and indicates that, in fact, the plan has been an utter failure.

North Korea's economic stagnation stems essentially from the inefficiency of the centralized planned economy and the irrational economic policy of giving priority to political and military affairs. Recently, however, the primary reasons have been shortages of capital, backward technology, superannuated facilities, and a severe decline in the workers' will to produce. In particular, because of the worsening of internal and external economic conditions last year resulting from the financial plight that followed the hosting of the Pyongyang Festival in 1989 and the sudden change in the international environment, not only did the energy crisis become more severe, but, to make matters worse, poor harvests resulting from bad weather exacerbated the stagnation.

However, instead of making efforts toward "reforms" to eliminate intrinsic factors to overcome the economic crisis, North Korea is only making some partial changes in its external policies—to wit, seeking short-term fixes such as introducing capital and technology from advanced nations through a partial opening. As a result, North Korea has found it difficult to achieve effective results. Below we will introduce North Korea's general economic situation in 1990, the actual situation by industry, and the standard of living as assessed by the National Unification Board.

$1,100 Per Capita in 1989

The General Economic Situation Estimates by foreign research organs of North Korea's per capita GNP in 1989 show wide variations, ranging from a low of $400-$500 (Soviet Union) to a high of $1,980 (Great Britain). North Korea itself claims a GNP of $2,530. Consequently, the government undertook a complete reinvestigation of all the data that had been gathered, supplementing these with data recently received through China and the Soviet Union, and carried out a complete reassessment of North Korean GNP.

As a result, the North Korean GNP for 1989 is estimated to have been $20.4 billion and the per-capita GNP $1,123—slightly higher than previously. In the case of 1990, the GNP was put at $23.1 billion dollars and the per-capita GNP at $1,064. The government estimated the economic growth rate using this as the basis.

Situation by Industry

Agriculture: North Korea has suffered chronic food shortages as a result of frequent poor harvests over the past several years. Last year in particular the poor showing in grain production worsened the food situation to the extreme.

Grain production last year was only 4,812,000 tons (polished grain basis), a 12 percent decrease from 1989. This resulted from low temperatures during the planting season and flood damage—including the highest levels recorded for the Taedong River in 23 years, stemming from intense heavy rains during August. This represents a harvest deficit of 1.6 million tons from the minimum annual grain requirement of 6.4 million tons, which was derived by taking as the basis the fixed amounts of grain rations for the populace and making allowances for grains used for processing and animal feed. Even if one assumes that North Korea will continue, as it is has recently done, to reduce its grain rations 20 percent or more, it will come up one million tons short.

Fisheries: North Korea recently greatly accentuated fish breeding in its fisheries policy and set the goal for fisheries products in the Third Seven- Year Plan at 11 million tons, a three-fold increase over the 3.5 million goal set forth in the Second Seven-Year Plan. Nonetheless, the conditions in the fisheries sector have been gradually worsening, with a trend toward a decrease in breeding grounds and fishing grounds stemming from land reclamation projects carried out on the west coast and from a decrease in major fish resources such as pollack, squid, and sardines.

Especially with the shortage in fishing boats resulting from the slump in shipbuilding performance, the backward state of fishing equipment and technology, and the shortage of fuel for the boats, the production of fisheries products has been drastically reduced. Because of this, the 1990 fisheries production was reduced to 1,455,000 tons, about a 10 percent reduction from the 1,612,000 tons in 1989.

Gold, Silver Account for 8 Percent of Exports

Mining: North Korea makes the mining sector, together with the coal and electric power sectors, the motive power of its policy of "self reliance." The government defined the mining sector as a "precedent sector" in the Third Seven-Year Plan and is now devoting major efforts to expanding its existing mining production capacity.

Underground reserves of iron ore are approximately 3 billion tons, and some 20 mines such as the Musan Mine are estimated to have an annual production capacity of 13 million tons (concentrate ore basis), but the actual production meets the country's own demand with 8,430,000 tons. Nonferrous metal ores such as lead, zinc, gold, silver, and copper are being so intensively exploited as strategic export goods that they accounted for 8 percent of North Korea's total exports last year.

Energy: The energy supply structure is characterized by a very high degree of dependence on coal, with coal accounting for 70 percent, hydroelectric power for 16 percent, petroleum for 10 percent, and other energy sources for 4 percent.

The 1990 coal mine development called for carrying out the project for expansion of the Aju Regional Coal Mining Complex, but this has not produced any clear results. On the other hand, the Hamyon Colliery in the Northern Region Coal Fields has gone into operation. Because of a shortage of investment and a worsening of mining conditions such as the flooding of some coal mines resulting from heavy rains during the summer, coal production is estimated to have been only 33 million tons.

Only Two Power Plants Built

The construction of new power generating facilities last year was limited to just two of the 10 original targets—the Wiwon Hydroelectric Power Plant and the Yesong River No. 5 Power Plant. This boosted the capacity of the generating facilities to 7,140,000 kilowatts, an increase of 240,000 kilowatts over last year. North Korea's oil refining capacity is only at the level of 3.5 million tons, but since 1989 the worsening of the foreign exchange situation and the sluggishness in crude oil imports—stemming from such factors as Chinese and Soviet demands for payment in hard currency—have worsened the energy crisis.

Transportation: Transportation is characterized by a high degree of dependence on rail transport—so much so that 86 percent of transport volume relies on the railroads. The total length of rail lines is 5,045 kilometers (98 percent single track) and last year four sections of 270 kilometers were turned into electrified railways, increasing to 3,194 kilometers the total railroad sections that have been electrified. The total length of roads is 23,000 kilometers, but only 7 percent have been paved.

External Economy: It is estimated that total trade volume last year was $4.64 billion, a decrease of 4 percent from that of 1989. Exports were $2.02 billion and imports were $2.62 billion, resulting in a trade deficit of $600 million. Of this, trade with the Soviet Union and China and other non-Western trading partners amounted to 67.5 percent and trade with Western nations amounted to 32.5 percent, showing that North Korea's reliance on the Soviet Union and China remains high. Because of the continuing trade deficit and the accumulation of overdue interest, North Korea's total foreign debt as of the end of 1990 had increased to $7.86 billion, about $1.08 billion dollars more than that of 1989.

Attraction of joint ventures last year was lackluster, with one each from the Chosen Soren (the General Association of Korean Residents in Japan), the Soviet Union, and Poland and four from China. Worthy of particular mention, however, was the completion of a weather satellite ground station, which was carried out as a joint project between the United Nations Development Plan (UNDP) and the North Korean Hydro-Meteorological Bureau. Since the promulgation of the Joint Venture Law in 1984, to date there have been a grand total of 135 ventures, of which 77—or 57 percent—were joint ventures with Chosen Soren businessmen.

* Factory Computerization, Automation in North

912C0309A Seoul HANGUK ILBO in Korean
13 Aug 91 p 16

[Text] It has been learned that the United Nations Development Plan (UNDP) recently advised North Korea to concentrate on technology development and international cooperation projects directed toward the natural resources management, environmental improvement, and economic development during the agency's third state planning project period (1992-1996) for North Korea.

Such advice from the UNDP suggests that the economic development plan North Korea has been carrying out has reached its limits and the plan requires at least partial revision. North Korea makes "embodying chuche thought" the basic principle of economic development and has controlled the livelihood of the populace from the perspective of guaranteeing only the minimum food, clothing, and shelter to ensure the maintenance of the regime.

Recently, however, North Korea has been unable to solve even the "problem of eating" because of agricultural failures stemming from consecutive flood damage plus annual population increases of 2.6 percent a year, thus making regime maintenance itself more difficult. Therefore, North Korea is now little by little taking the advice of China and the UNDP, among others.

Typical of this advice is the computerization of the production process and the use of industrial robots.

During the period of the third seven-year economic plan (1987-1993) North Korea is stressing the development of the machinery, electronics, and automation industries. At the 13th plenum of the Sixth Central Committee in May 1988, the North announced a "Three-Year Plan for the Development of Science and Technology." This plan put the emphasis on upgrading industrial technology through research and development in electronics engineering, including electronic computers, automated machinery, and industrial robots. And in December of that year the authorities also laid the administrative groundwork for the plan by creating within the government an "Electronics and Automation Industries Committee" (Chairman Paek Se-yun).

Radio Pyongyang recently publicized that "The Korea Computer Center, which was established in October of last year, is vigorously carrying out technical development and dissemination work." It claims that computerization is being achieved in various sectors of the national economy.

North Korea imported major electronic parts from Japan after 1982 and assembled and produced a rudimentary 8-bit computer for educational use. It is now building a factory to produce utility computers of 16-bit and over. In addition, after concluding an agreement for establishing a "Computer Personnel Training Center" in Pyongyang, with assistance from China in the form of various kinds of facilities and specialists, North Korea established last August a 23,000 square meter "Korea Computer Center" in the Mangyongdae district of Pyongyang with the assistance of the Chosen Soren (General Association of Koreans Residing in Japan).

Subordinate to the Korea Computer Center is a computer technology training school and the Sinhung Company, which is in charge of foreign trade involving electronic computers and parts and programming. Also, with the cooperation of the UNDP, North Korea set up the "Pyongyang Electronic Computer Operations Company" and in September last year even developed a computer program called "Changdok" for editing and printing Korean language documents.

This year North Korea turned its efforts toward raising the level of inventions and technology and skills and held various kinds of exhibits and seminars. These included a university students' science seminar, a students' invention exhibit, and a youths' science and technology exhibit. Last April North Korea also held in Pyongyang a "New Technical Exhibition of International Youth Inventions," in which six socialist bloc countries including the Soviet Union and Mongolia participated.

In addition, North Korea is publicizing that it is putting major efforts into the production of industrial robots to replace skilled manpower. North Korea's Central Broadcasting System reported in August last year that 1,600 robots had been manufactured and 2,700-odd electronic and automated element tools had been developed during the year and a half since 1989. The broadcast further explained that members of the Three Revolutions Teams (TRT) who had been sent to the Hoeyang Coal Mine in Kangwon Province had developed a robot for loading anthracite coal and that this robot "can turn 360 degrees and pick up 300 kilograms of coal at a time in its dipper bucket and unload it at a height of 1.5 meters and fill a carload of coal in just a few minutes' time." In September of last year it was reported that these kinds of inventions were all brought together and a "Robot Exhibit" was held in Pyongyang in which some 1,840 robots made by TRT members at various factories and enterprises were put on display. It is said, however, that even though North Korea may be importing and developing computers, robots, and other kinds of sophisticated technology, it cannot properly utilize them because its supply of electricity and energy and its transportation system and other basic industries are in such bad shape.

With supplies of crude oil from the Soviet Union completely suspended this year and even coal production at only 70 percent of demand (year-end 1990 values) because of antiquated equipment, it is noted that they cannot properly produce goods just by importing sophisticated technology.

Siegfried Scheibe, the East German counselor in Pyongyang until the reunification of Germany last year, pointed out that the reasons for the inefficiency of the North Korean economy were: preparations for large-scale political events and the resulting stoppage of production activities; ostentatious economic projects directed at promoting the prestige of a few people; and concentrated investment in unproductive sectors.

Firms Import More Northern Industrial Products

SK0710100091 Seoul YONHAP in English 0735 GMT 7 Oct 91

[Text] Seoul, Oct. 7 (YONHAP)—South Korean companies that once imported mainly agricultural or mineral products from North Korea have begun to shift to secondary industrial products such as textiles since the two Koreas joined the United Nations, the National Unification Board said Monday.

Kohap Inc. imported 101,500 meters of North Korean textiles for 160 million won in September in the first deal of its kind, according to a report published by the Board.

Businesses are more inclined to seek real gains than publicity from trade with North Korea, making gold nuggets a hot favorite, the report said.

Lucky-Goldstar International Corp. and Samsung Co. brought in 688 kilograms of gold for 5.43 billion won in September, up 320 percent from 152 kilograms in August, it said.

President Plans Cabinet Reshuffle for December

SK0510052391 Seoul YONHAP in English 0511 GMT 5 Oct 91

[Text] Seoul, Oct. 5 (YONHAP)—President No Tae-u plans to reshuffle his cabinet and key posts of the ruling Democratic Liberal Party [DLP] in early December, it was disclosed Saturday.

The president is expected to take the action in preparation for the elections of the 14th National Assembly scheduled for March, 1992, informed sources said.

A ruling party source said the planned cabinet reshuffle will be considerably broad "since there's quite a few members of the current cabinet and presidential aides in Chongwadae, who are expected to run for the National Assembly."

"These people naturally will have to be replaced," he said.

Prime Minister Chong Won-sik, who was appointed to his post in May, is expected to be retained while Deputy Prime Minister Choe Kak-kyu and Sports and Youth Minister Pak Chol-on will resign in order to run for the National Assembly. Some economic ministers could also be replaced, taking responsibility for the current economic difficulties, according to the source.

Among presidential aides, Choe Yong-chol, Kim Hak-chun and some others will be leaving Chongwadae because they are also expected to run for the National Assembly.

Most of DLP leaders, however, will remain in their posts as they have successfully led the party to victories in the past two local elections. But a partial reshuffle could be inevitable in order for the party to prepare for the 1992 elections, the source said.

New Trade, Industry Ministry Officials Appointed

SK0710095891 Seoul YONHAP in English 0738 GMT 7 Oct 91

[Text] Seoul, Oct. 7 (YONHAP)—The government Monday named Sin Kuk-hwan, director of the Trade and Industry Ministry's Planning and Management Office, second assistant minister.

An Kwang-ku, vice director of the Taejon International Expo Organizing Committee, was named to replace Sin and Kim Tae-kon, a committee consultant for the Ruling Democratic Liberal Party, was named vice patent administrator.

* Fighter Project Spurs Aviation Industry

912C0310A Seoul MAEIL KYONGJE SINMUN in Korean 29 Aug 91 p 12

[Article by Chu Ho-sok: "ROK Aviation Industry Ready To Take Off—Spurred by the KFP Engine Selection Decision; Samsung, KAL, Daewoo Form the Principal Axis"]

[Text] With the next-generation Korea fighter program (KFP) finally on track thanks to the determination of the plane selection issue, the nation's aviation industry is now set for takeoff in earnest.

In the KFP plane selection, a process likely to determine the future of our aviation industry, a switch from F-18 to F-16 came in March after twists and turns. And now, Pratt & Whitney's F100-PW-229 has been picked for the KFP engine, setting the stage for getting the program going.

The U.S. Congress—whose approval had previously been considered the hardest barrier to clear—approved the deal without a hitch, although not unanimously.

It is expected that memoranda of agreement and understanding will be exchanged and contracts officially signed between the governments or corporations concerned by the end of the year to get the program going full scale beginning the next year.

The $5.2 billion KFP, setting a record high in scale in the domestic aviation industry, envisages the purchase of 120 planes altogether by 1999. It will be carried out in three stages—purchase of assembled planes [on a Foreign Military Sales basis], assembly, and license production.

Also, the program is participated in by some 50 various components producers as well as the three major corporations selected for government support in the program—Samsung Aerospace, the prime contractor, Korean Air (KAL) and Daewoo Heavy Industries. Considering this aspect, the KFP will likely create a momentum in laying a solid base for the nation's aviation industry.

Along with the KFP, the next-generation helicopter program (HX) is also making headway in some specific areas such as one involving large-type helicopters.

Originally, the government began with a three-prong HX for large-, medium- and small-type choppers. But the medium-type segment was later cancelled.

As regards the small-type HX, while Daewoo Heavy Industries has been chosen to be the prime contractor, the type selection has not yet been decided. As for the large-type, Daewoo Heavy Industries is the prime contractor, and for the type, it has been settled on Sikorsky's Black Hawk.

KAL is to part-purchase and part-produce a total of 81 Black Hawk helicopters by 1995—buying some in assembled craft and producing others jointly or on its own.

Meanwhile, under this contract, three assembled Black Hawks arrived in Korea at the beginning of the year. Also, the assembling of kits has been started at a Sikosky plant by engineers of the two companies.

Especially, the KAL large-type helicopter contract is favorable for the Korean side in such aspects as technology transfer, raising expectations that the project will greatly contribute to improvement in our aviation technology.

Separately from the government-led KFP and HX programs, private firms are also independently pushing ahead with a variety of aircraft development projects.

Hyundai Precision & Industry, switching its production plan from military to private helicopters following its failure to be selected for government HX support, acquired technology from Japan's Kawasaki Heavy Industries and is currently pushing ahead with its program.

Also, KAL, Tongyang Nozzle and other firms as well as institutes like the Aerospace Research Institute are pushing for localized production of light aircraft. Presently, they are in the process of developing designing and manufacturing technologies in this field.

Furthermore, Korean aviation firms are actively participating in a variety of international development projects to pave the way for technological improvement and international advances.

Samsung Aerospace is a 2 percent participant in the development of the PW4000 engine for large-type airliners of which the world-renowned aircraft engine maker P&W is the principal axis. It is also involved in a joint development program with the USSR Central Aviation Hydromechanics Institute on glass fiber and other types of composite material for aircraft.

Daewoo Heavy Industries is a participant in the joint development of a 33-seat light plane being pushed by the German maker Dornier, while KAL is involved in the MD-11 jetliner development by McDonnell Douglas.

Moreover, the three aviation companies—Samsung, Daewoo and KAL—are studying plans to jointly participate in the McDonnell Douglas project to develop the next-generation MD-12.

Meanwhile, the industry is not without problems that must be resolved at once if the KFP and various other aviation-related programs are to make smooth progress to get our aviation industry afloat.

Experts in this field point out that the government should, first of all, be consistent with its support policies for aviation industries and expedite preparations to sign bearable aviation agreements (BAA) with advanced countries.

Also, with regard to the extensive restrictions currently in effect on commercial airline operations because of national security reasons, some note the need for a review in the interest of the industry's development to meet private-sector demands.

At the same time, building an inter-company cooperation system is another task yet to be resolved for the nation's aviation industry development.

Burma

Foreign Minister Welcomes Bush's Arms Proposal

BK0510131491 Rangoon Radio Burma in English 0700 GMT 5 Oct 91

[Statement by U Ohn Gyaw, foreign minister of Burma and leader of the Burmese delegation, at the 46th United Nations General Assembly held in New York on the morning of 4 October—read by announcer]

[Excerpt] [Passage omitted] Mr. President, the climate of growing confidence and cooperation between the two superpowers presents us with an opportunity to intensify efforts that would result in meaningful agreement in all fields of disarmament, particularly in the fields of nuclear, chemical, and other weapons of mass destruction.

In the nuclear field, a package of measures announced by President Bush last Friday has given a further boost to the momentum generated by the 1987 INF and 1991 START agreements. What is perhaps more significant than the number and types of weapons involved is what seems to be a clean break with the philosophical approach to arms control and disarmament which the United States had perceived during the Cold War era.

A positive Soviet response, both in kind and in spirit, to this unilateral U.S. initiative could, in our view, set in motion a self-generating process that would eventually lead to the elimination of all types of nuclear weapons in the armories of all nuclear-weapon states. [passage omitted]

Khin Nyunt Addresses Public Servants 4 Oct

BK0510133191 Rangoon Radio Burma in Burmese 1300 GMT 4 Oct 91

[Speech by Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC], at a meeting with heads of departments and organizations under various ministries held at the defense ministry on the morning of 4 October 1991—recorded]

[Excerpts] Firstly, I would like to warmly welcome those present here today: the directors general, managing directors, heads of public service, and responsible personnel under various ministries and public service organizations, and invited guests. I extend my good wishes for your health and happiness. And may you all be able to work more for the country.

The main reason for meeting all the responsible personnel from various departments is the matter related to public service personnel, and I think now is the right moment to explain the public service matters that must be made known to responsible personnel so that you will all be able to relay the explanations and hold discussions on the matter. [passage omitted]

I would like to continue on public service ethics, especially on the relationship between a superior and his subordinates. It will definitely effect the working environment and the duties of the superiors and his subordinates if relations between them are not smooth; services and production will definitely decline, which will in turn cetainly effect the state's production sector. In every working environmenmt officers are considered to be public service leaders and they must always strive to be genuine leaders of public service personnel. They will become good leaders only if they possess the qualities of a leader and live, practice, and act accordingly. I would like to say that only then will there be mutual respect. [passage omitted]

A good leader and a good officer must always inspire his subordinates in their thoughts, words, and actions either in his work or other disciplinary affairs. But, if he forces his subordinates in the opposite direction, the leader or the officer will be deemed responsible for the adverse consequences. Everybody will clearly remember that during the 1988 disturbances, most public service personnel erred by following the wrong path of their so-called leaders or officers. You can see therefore how great and how wide the responsibilities of the public service personnel are in order that they can rightfully be called public service personnel. [passage omitted]

When we remind public service personnel to live in accordance with public service regulations, we mean they must abide by all the laws, rules, regulations, and ethics of their respective organizations. Currently some public service personnel do not understand the service regulations, wanting only to enjoy their privileges while disregarding their responsibilities. When we urge them to fulfill the duties, observe the ethics, and to live within the framework of law, there are persons who are still under the impression that the rules are being unfairly tightened and that they are being pressed. In reality, to abide by the law not only means that a person must act according to law, but you must also rembember the fact that the law also protects you. [passage omitted]

In any country, politics and administration change from time to time but public service personnel always have to observe the fundamental rules, regulations, and ethics regardless of the changes. Public service personnel must be always loyal to the state, law abiding, look after people's welfare, and prevent any loss of state funds. They must also safeguard the state's secrets, and the reports, facts, and documents concerning important matters. And, it is the duty of the public service personnel to abide by the orders, directives, and regulations, and to fulfill their respective duties and responsibilities. [passage omitted]

It is an international practise to lay down rules and regulations for public service personnel and to encourage them to be abide by rules, regulations, and laws. Some countries keep their public service under tight control by laying down laws, rules, and regulations and penalties. However, some major countries are instigating public servants through the media to create unrest. Public service personnel in the public communications media, such as newspapers and broadcasting stations, are being used by these countries to broadcst false news and to carry out instigations. Every patriotic public service personnel should be vigilant and be aware of this fact. I would like to stress the need for public servants to observe, and abide by, the public service regulations and to show their gratitude toward the country.

While there have been cases of public service personnel being praised and awarded for their loyalty, there have been many cases wherein action had to be taken against them in connection with taking bribes. [passage omitted]

At this juncture I would like to speak on the constitution. A firm constitution can only emerge with the full participation and unanimous agreement of all indigenous nationals, public service personnel, workers, and peasants. The word "firm" has its meaning. If one government comes to power with a constitution and the next government redrafts the constitution they do not desire the country to suffer from unstable constitutions and the presence of instability in the country. Therefore, all public service personnel should thoroughly study the Declaration No. 1/90 of the State Law and Order Restoration Council [SLORC] and, as a national duty, participate in the process of drafting a new constitution that is firm and that will protect and safeguard their interests. It will be necessary for all public service personnel to realize this point.

Next I would like to speak on the need for the public service personnel to stay free of party politics. Due to the prevailing situation the Defense Services had to assume the state power on 18 September 1988. After the assumption of state power the SLORC was formed and the Defense Services have been discharging state duties. [passage omitted] If the public service personnel do not stay free of party politics they will come under the influence of the organizational work of political parties and this attachement to party politics will create division among the public service personnel and adversely affect the state administrative machinery. [passage omitted]

From time to time the SLORC has issued decrees that have the force of law. [passage omitted] On 30 April 1991 the SLORC issued Decree No. 1/91, which has the force of law. [passage omitted] The decree states: 1) Public service personnel must not engage in any party politics. They must not provide financial assistance or support by other means to any political party; 2) They must not be a member of any political organization; 3) They must prohibit their dependents or persons under their guardianship from taking direct or indirect part in activities that are aimed at opposing the government; and 4) They must not be party to any labor association, organization, union, and other similar bodies not formed in accordance with the rules occasionally announced and prescribed by the government.

Therefore, defense services personnel such as members of the people's Defense Services, the People's Police Force, public service personnel from government departments, state economic enterprises, and those receiving salaries from the state coffers are to stay absolutely free of party politics. It has been clearly stated that action will be taken against those who violate this decree. Therefore, all public service personnel are to accurately follow and observe decrees having the force of law.

Furthermore, we have reached the situation wherein the minister for home and religious affairs had to issue Warning No.1, dated 4 September 1991, to political parties and some public service personnel to stop deceiving the state government—the Defense Services. Therefore, I would like to stress the need for public service personnel to follow and act in accordance with this warning.

On 24 September 1991 the Office of the Commander in Chief of the Defense Services issued a directive to all ministers to give a final warning to all public service personnel. The directive states that it should be noted that the speech by the commander in chief of the Defense Services on 25 June 1991 contained the phrase: let bygones be bygones. The directive is a reminder that the phrase refers to all public service personnel and organizations.

The directive states that, although it had been said let bygones be bygones, it is necessary to be cautious so as not to lose sight of the course of history. Although the Defense Services have attempted for three years to bring stability, there are still some among the public service personnel who do not have a clear understanding and action has to be taken against them. The directive instructs that the subordinates be informed that continued forms of opposition in words, deeds, behavior, and thoughts despite the warning being issued will no longer be tolerated, and says that the ministries are to report back after the directive has been explained at the lowest level. We find that the last warning needs to be issued to stop these irresponsible and groundless criticisms that have been made without comprehending and studying the laws and bylaws. [passage omitted]

The State Law and Order Restoration Council—Defense Services—has repeatedly issued warnings to public servants to stay clear of party politics. It is necessary to understand that these warnings are being made in the long-term interests of the state. It is necessary for departmental heads to repeatedly explain this to the personnel at various levels in their respective departments in order to make them understand and to give them constant reminders of the warnings. If the personnel end up on the wrong path because they failed to teach and explain to them it will be regarded as negligence on the part of the senior departmental officials and they will be responsible.

I shall continue to report frankly on the public service personnel to the country. Many public service personnel participated in the disturbances of 1988 and action was taken against them in connection with the disturbances. We also had to take action against some public service personnel after the SLORC assumed responsibilites for their continued opposition to the government and the Defense Services. These personnel were influenced by the repercussions of the 1988 disturbances and instigations and the false news carried by the BBC, the VOA [Voice of America], and the AIR [All India Radio], as well as by various political parties that used some public service personnel to infiltrate the public service for their organization and by the BCP UG's [Burma Communist Party underground elements] who contacted and organized them. The action taken was in the form of dismissal, termination of work, retirement, reduction of salaries, suspension of yearly increment, and transfers. The exact numbers of personnel against whom action was taken were: 2,972 who were dismissed, suspended, or given retirement; and 1,573 who were demoted, had their yearly increment suspended, transferred, or given warnings. Therefore, action was taken against a total of 4,545 personnel.

We repeatedly issued warnings for public service personnel to abstain from corruption and bribery. [passage omitted] Despite our repeated warnings, we found that corruption and bribery have worsened. There were cases in which senior departmental officials colluded with their subordinates. The country's situation would have improved noticeably had we been able to eradicate corruption and bribery. There were many complaints from the public, saying corruption and bribery among the public service personnel should be investigated and exposed just as it had been done in connexion with politicians and BCP UG's. Therefore, directives were issued by us instructing departmental heads to investigate and take effective action against corrupt personnel. [passage omitted] Action was taken against a total of 10,516 public servants from various departments for corruption and for violating regulations. [passage omitted]

Next, I would like to speak on the law. [passage omitted] It is a matter of course in any country that when Defense Services assume state power the constitution of that country becomes ineffectual and the country is administered through martial law. At the present time, we have given the necessary educational information and warning. Political parties as well as public service personnel should understand that martial law will be used if there is any show of defiance against the law and the authorities and attempts at confrontation and activities aimed at disintegration of the Defense Services. [passage omitted]

It is important for the public service personnel to relentlessly work for the interests of the respective departments and the country in the spirit of nationalism and patriotism. It is necessary for them to study the developed countries and aspire to ensure that their own country develops in the same manner and does not lag behind. However, those who are impressed by prosperity and the development of other countries and want to rely on them and live there and collude with citizens of these countries and to become their disciples, acquiring the tendency to impose on their own country the administrative, political, and economic systems acceptable to these other countries, will be regarded as national traitors. [passage omitted] The time has now come to expose and exclude those who look up to other countries and want to rely on and regard foreigners as their teachers—those who pine for an aunt instead of their own mother—as national traitors. I would like to say it is not the time to tolerate and remain indifferent to those persons who are ungrateful to the country and betray the country. These national traitors want to be ruled by neocolonialism, through which major countries impose administrative, economic, and social systems of their choice in order subjugate and administer from a distance. Betrayal from a person who is a citizen as well as a public servant amounts to double betrayal. They should be maintaining double loyalty as a citizen and a public servant. Hence, there is no other method but to take severe action against these persons who are found to be traitors. [passage omitted]

I would like to tell all patriotic public service personnel to be aware of some major countries that suppress their public service personnel under the rules and regulations in their own countries, while at the same time engage in provocation and agitation in the internal affairs of other countries to make public service personnel betray their country and create unrest. [passage omitted]

I conclude by urging departmental heads present at today's meeting to present today's instructions down to the lowest level and to urge them to follow these instructions. [passage omitted]

'Summary' of Nonsupport for 'Parallel Governments'

BK0410113191 Rangoon Burma Television Network in Burmese 1330 GMT 3 Oct 91

[News Release No. 32/91 of the Commission for Multiparty Democratic General Elections, dated 3 October 1991]

[Excerpts] 1. The Election Commission has put on record statements by political parties and organizations declaring their nonsupport for, objection to, and denunciation of the U Nu and Sein Win parallel governments. A summary of these statements is hereby made public to keep the people informed.

A. The United Trade Union Congress, Union of Myanmar [Burma], has said that it does not support the U Nu parallel government. Since the 1947 Constitution has been annulled, U Nu has no right to demand certain rights. Moreover, the parallel government is not supportive and beneficial in any way to ensure perpetuity of national sovereignty, the non-disintegration of national solidarity, the non-disintegration of the union, the democratic causes, and the stability of internal peace, but instead it is harmful to the state.

The Sein Win parallel government is a minor faction and a split from its mother party—The National League for

Democracy [NLD], and has been alienated by its own mother party. Moreover, it is also not supportive and beneficial in any way to ensure perpetuity of national sovereignty, the non-disintegration of national solidarity, the non-disintegration of the union, the democratic causes, and the stability of internal peace, but instead it is harmful to the state. Thus, the Congress does not support Sein Win's parallel government.

B. The Union of Myanmar Democratic Peoples Power Organization says that it does not support U Nu's parallel government and Sein Win's parallel government. It says that they are not doing the right thing by forming opposing parallel governments although there is an existing one, and the organization understands that it is being done in order to oppose the present regime.

The organization also understands that any opposing parallel force is culpable if it is in breach of the existing rules and framework of law. The organization does not support the parallel governments and also denounces them because it is in contravention of the organization's principles: that is, to work for the benefit of the country, for peace and tranquility, and for the brighter future of the country.

C. The National Unity Party says that U Nu announced the formation of the parallel government on 9 September 1988. Although some members of U Nu's parallel government resigned when the State Law and Order Restoration Council took the responsibilities of the state, U Nu himself has not announced the dissolution of the parallel government up to this day. Therefore U Nu's parallel government continues to exist as an illegal organization.

Sein Win, chairman of the Party for National democracy which is affiliated to the NLD, was elected as a representative from Paukkaung township constituency. He and some followers formed the parallel government known as the provisional government in the jungles, or the National Coalition Government on 18 December 1990 at the terrorist insurgent KNU's [Karen National Union] Manerplaw camp near the Thai border.

Those parallel governments are formed against the people's desires and wishes. Sein Win's group is collaborating with the armed terrorist insurgents, engaging in subversive activities, degrading the dignity of the country with the help of external perversive elements, and has become the henchmen of colonialists.

Thus, this party rejects, denounces, and opposes U Nu and Sein Win's parallel governments. [passage omitted]

2. A summary of the statements by the other political parties will be made public later.

Brunei, Malaysia, & Singapore

Malaysia

Soviets Assure Pacific Fleet 'No Threat'

BK0510035891 Kuala Lumpur BERNAMA in English 0345 GMT 5 Oct 91

[Text] Kuala Lumpur, Oct 5 (OANA-BERNAMA)—The Soviet Union has assured Malaysia that its Pacific Fleet poses no threat at all to Southeast Asia.

This assurance was conveyed to Malaysian Defence Minister Najib Razak by his Soviet counterpart Marshal Shaposhnikov during his recent visit to the Soviet Union.

"I welcome this assurance. It will help ensure the security and stability of Southeast Asia, he added.

Marshal Shaposhnikov told Najib that his country's policy was one of non-interference in the internal affairs of other countries and he hoped other powers would do the same.

The Soviet Union was committed to ensuring the region's stability, Marshal Shaposhnikov said.

'Anxiety' Over NAFTA's Negative Impact

BK0410090891 Kuala Lumpur Voice of Malaysia in English 0800 GMT 4 Oct 91

[Station commentary]

[Text] When the ASEAN economic ministers meet in Kuala Lumpur next week, one important issue that will occupy some of their attention will be the forthcoming establishment of the North American Free Trade Area, NAFTA, comprising the United States, Canada, and Mexico. There is anxiety among Asian countries over the formation of this new trading bloc. The apprehension arises from the fact that NAFTA will obviously mean the dismantling of trade barriers among the three countries. This will automatically give them a trade preference, putting the Asian countries at a relative disadvantage. Of course, there have been assurances that NAFTA will not become an exclusive protectionist trading bloc and that it will work under GATT rules. But, how far can these assurances be confidently relied upon?

Economic groups with protectionist tendencies always impose obstacles to countries outside their particular blocs. The U.S., under pressure from certain organizations, has proven itself a perpetrator of such tendencies. It commands the world's largest market and is also Asia's biggest export market. However, once NAFTA is established with a U.S. $6 trillion market and a combined population of 360 million, the U.S. will naturally tend to initiate tight rules to prevent Asian products from penetrating the vast market through the third NAFTA partner, Mexico. This is where Asian countries are going to be most seriously affected. Mexico's easy access to its two giant neighbors can lure away potential U.S. and Canadian investments that Asian countries may otherwise enjoy. Also, Mexican products will be preferred to those of Asia after NAFTA's establishment.

Thus far, no individual or organization has been able to predict the actual effects of trade diversion away from Asia as a result of NAFTA. But, that there will be an impact is quite certain, and it is time to give serious thoughts to such an impact. Also, the prospects of diversion of foreign investments not only from the U.S. and Canada but also from other countries such as Japan and Taiwan can have serious consequences for Asian economies. This is the reason why Malaysia is adopting a reverse investment strategy where Mexico is concerned. Prime Minister Dr. Mahathir Mohamed, on his recent visit to Mexico, paved the way for increased Malaysian investments in that country. Such a move will ensure that Malaysia maintains its share on the vast North American market.

One area of concern for Asian countries with the advent of NAFTA is that the U.S. may be persuaded to use its trade weapon, the Generalized System of Preferences or GSP, more freely. Where Malaysia is concerned is GSP exports to the U.S. in 1989 made up about 11 percent of its total exports to that country. The removal of its GSP privilege can mean a substantial drop in earnings. But, there are some who believe that the loss of the GSP status may be good for Malaysia. It will get rid of the dependency syndrome. So long as Malaysia's products remain competitive and of high quality, there is nothing to fear.

For Asian and particularly ASEAN countries, fears over the formation of trading blocs like NAFTA and the single European market may be unwarranted. They should think ahead and overcome the possible adverse effects through market diversification and upgrading productivity. The economic ministers meeting in Kuala Lumpur next week will no doubt address the issue in its proper perspective.

Official Talks With Indonesia on Joint Issues

BK0710070191 Kuala Lumpur Voice of Malaysia in English 0600 GMT 7 Oct 91

[Text] Senior officials to the Malaysia-Indonesia Joint Commission have begun their inaugural meeting in Kuala Lumpur prior to a two-day ministerial meeting beginning on Thursday. Indonesia's claim on the Malaysian islands of Ligitan and Sipadan off Sabah is among a wide range of bilateral issues to be discussed. The commission was established last month to discuss bilateral issues except those which come under the purview of the Malaysia-Indonesia General Border Committee.

Malaysian Foreign Ministry Secretary General Datuk Ahmad Kamil Jaafar said when opening the meeting that the commission would not only enable both countries to solve problems speedily but also to explore wider areas of cooperation.

Police Detail Foreign Seizures, Arrests for 1991

BK0510151291 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 5 Oct 91

[Text] Police have seized to date 31 boats and arrested 403 foreign fishermen for violating the country's territorial waters. According to Marine Police Commander Deputy Police Commissioner Haji Ahmad Hassan, 22 of the fishing boats are Thai, eight are Indonesian, and one is from Singapore. He said that the seizures and arrests over the past nine months this year increased by 25 percent compared to the same period last year. He told a news conference at Kelang Port that the Marine Police had also seized 30,185 cartoons of clove cigarettes valued at some 1.2 million ringgit during the same period this year.

Inflation Rate Increases in First 8 Months

BK0410104491 Kuala Lumpur NEW STRAITS TIMES in English 3 Oct 91 p 18

[Text] Malaysia's inflation rate, as measured by the consumer price index (CPI), rose by 4.4 percent during the first eight months this year against 99.5 the same period last year.

The Statistics Department, in a statement, said the CPI for August 1991, which was at 104.9, was 5.3 percent higher than that of August 1990.

The August CPI was also 0.3 percent higher than in July.

It said the 4.4 percent rise in the CPI followed increases in all the main groups with beverage and tobacco recording the highest increase of 8.6 percent.

This was followed by a 5.7 percent increase for clothing and footwear and a 5.3 percent increase for medical care and health expenses.

The food group rose by 4.7 percent, furniture, furnishings, and household equipment, and operation (4.2 percent), and transport and communications (4.9 percent), and miscellaneous goods and services (4.0 percent).

Gross rent, fuel, and power recorded a 2.8 percent rise.

Trade Deficit Widens in First 7 Months of 1991

BK0410104691 Kuala Lumpur NEW STRAITS TIMES in English 3 Oct 91 p 18

[Text] Malaysia's trade deficit widened by another 22.9 percent to [Malaysian ringgit] $924.7 million in July this year compared with $752.4 million in June, the Statistics Department said in its latest monthly external trade report.

It said the worsening July trade balance was a consequence of a higher growth in imports by 13.4 percent to $9,409.2 million as compared with 12.4 percent growth in exports to $8,484.5 million.

The July figures brought the cumulative deficit of the first seven months to $5,604.7 million compared with a surplus of $460 million last year.

The deterioration was mainly attributable to the continued higher growth in imports (+37.8 percent) as compared with exports (+23.1 percent).

Total exports for the January-July period were valued at $52,075.9 million while imports reached $57,680.6 million.

The higher growth in imports was largely owing to the rise in import of machinery and transport equipment (+49.2 percent) and manufactured goods (+39.9 percent).

It also said during the first seven months, total export earnings were valued at $52,075.9 million, an increase of $9,766.2 million.

Finance Minister: Inflation Rate Not Alarming

BK0410135891 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 4 Oct 91

[Text] Malaysia's inflation rate, which rose to such a higher 4 percent in August this year, is not alarming and is beginning to level off now. Finance Minister Datuk Sri Anwar Ibrahim says if the rate exceeds the forecast of 4.5 percent for this year, the country will still be comfortable with this figure. He said this when commenting on the unusual rise in Malaysia's inflation rate in August. However, he pointed out the figure for August should not be representative of the whole year.

Speaking to newsmen after a press conference on the forthcoming Commonwealth finance ministers meeting beginning on Tuesday, he said the drastic measures taken by Bank Negara [Central Bank] to contain inflation have paid off and there are now clear signs that the rate is easing off. The rate is coming off by 0.3 percent and 0.4 percent after August and it should not exceed the forecast rate of 4.5 percent.

Radio Malaysia To Expand in Tawau, Sabah

BK0510143491 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 5 Oct 91

[Excerpt] Radio Malaysia Tawau [in Sabah], RMT, is to have an outdoor broadcasting unit from next year to extend its service to more listeners in the area. Sabah Broadcasting Director Haji Abdul Aziz Abbas said from next year listeners in the Tawau area would also be able to tune in to the national network of Radio 1, 4, and 5. [passage omitted]

Cambodia

Diplomat Says U.S. Looking for Embassy Site

BK0510061791 Phnom Penh SPK in English 0412 GMT 5 Oct 91

[Text] Phnom Penh SPK October 5—The U.S. Government, the primary force behind the Western world's economic embargo against Cambodia, has sent a delegation to Cambodia said to be looking for an embassy site, a diplomat was quoted by AFP [AGENCE FRANCE-PRESSE] as saying Friday.

A group of about half a dozen people arrived from Bangkok on Thursday carrying U.S. diplomatic passports, the source said.

"They are almost certainly searching for a site", he said.

The duration of their stay was not known, and they could not immediately be reached for comment.

A British delegation was also searching for an embassy site in Cambodia's capital this week, other sources said.

Phnom Penh has seen a flood of government delegations rushing to find sites in order to recognize the Supreme National Council (SNC) when it sets up in Phnom Penh in November.

The SNC, headed by this country's former monarch, Prince Norodom Sihanouk, is to be the United Nation's supervised ruling body until democratic elections are held in 1992.

The plan is conditional on the signing of a peace agreement in Paris this month ending 13 years of civil war.

Foreign Ministry Expels Foreign Correspondent

BK0510115291 Hong Kong AFP in English 1129 GMT 5 Oct 91

[Text] Phnom Penh, Oct 5 (AFP)—Cambodia's Foreign Ministry has ordered the expulsion of a reporter for the REUTERS NEWS AGENCY, a ministry official said Saturday.

Angus MacSwan, who is based in Bangkok and came to Cambodia on Wednesday for a week-long reporting assignment, was ordered to leave on a flight early Sunday.

The Foreign Ministry official did not give a reason for the expulsion.

MacSwan said he would leave Sunday but could not comment on his expulsion without authorization from REUTERS' head office.

He said the Foreign Ministry did not tell him why he was being thrown out.

Hun Sen Rules Out UN Role for Some Countries

BK0510161891 Hong Kong AFP in English 1558 GMT 5 Oct 91

[Text] Bangkok, Oct 5 (AFP)—Cambodian Prime Minister Hun Sen Saturday ruled out inclusion in the United Nations peacekeeping force in Cambodia of contingents from countries that have been involved in the 13-year-old conflict.

Hun Sen was responding to questions from reporters here on the possibility that soldiers from Thailand's armed forces might join the peacekeeping forces to be sent to his war-torn country after a settlement to be concluded later this month in Paris.

Thailand, after China, was the country that gave the most active support to a Khmer Rouge-dominated guerrilla coalition which has been battling forces of Phnom Penh's Vietnam-installed government.

"Any country which has been involved in the conflict should not take part" in the U.N. peacekeeping force to be sent to Cambodia, Hun Sen said.

The Phnom Penh leader, however, did not mention any country by name.

The peacekeeping force "should be composed in such a way that no party (which fought in the war) would feel worried about it," Hun Sen added.

Thailand, he said, would be expected to play a role in the peace process on repatriation of up to 340,000 Cambodian refugees housed in camps on its border with Cambodia.

It was to have a role also, Hun Sen pointed out, with shipments of supplies to the U.N. Transitional Authority in Cambodia (UNTAC).

Hun Sen made the remarks as he arrived here from New Delhi on his way back to Phnom Penh. He is flying home Sunday.

The Cambodian leader visited the Indian capital after trips to New York where he attended meetings in which Cambodia's warring factions reached agreement to settle the last differences standing in the way of a peace settlement and Paris, where he held talks with French leaders.

Hun Sen Message on New York SNC Meeting

BK0610163391 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 6 Oct 91

["Message of Comrade Chairman Hun Sen, Chairman of the Council of Ministers, to the Compatriots"; dated 6 October—recorded]

[Text] My respects to the clergy and the beloved compatriots: Negotiations to achieve a political solution for ending the conflict in Cambodia have entered the final stage as all the remaining issues have already been solved. I would like to inform the clergy and compatriots that the Supreme National Council [SNC], taking advantage of its participation in the 46th UN General Assembly, has held talks in order to further resolve the remaining issues that were not settled at the SNC meeting in Phatthaya in late August 1991. The SNC has also met with the five major countries and the cochairmen of the Paris conference, as well as all the members of the Paris conference, in order to make preparations for the reconvening of the Paris conference. In general, it can be said that all the major problems have already been settled—the last draft comprehensive settlement was drawn up after much activity and presented to the SNC and the cochairmen of the Paris conference in New York on 27 September 1991. Agreement to reconvene the meeting of the Paris conference coordinating committee on 21 October 1991 has also been reached. This is to make arrangements for foreign ministers of the Paris conference to sign an agreement in Paris, France on 23 October 1991.

Beloved compatriots: After four years of difficult negotiations at a great many forums, a peace agreement has been reached. This will allow the Cambodian people to see the ray of peace and national reconciliation. However, the ray of peace still remains on paper only; it requires time to patiently implement it in order to achieve a genuine peace. Peace can never materialize without the efforts of the people in general because our country has been faced with war and serious disaster for over 20 years... [changes thought] 21 years. Because of war, our country has been split into many parties and factions. Mutual mistrust among warring groups is deeply rooted in the minds of our people. With a political solution in sight, this mistrust continues and could become an obstacle to the implementation of the agreement. That being the case, only by standing by the interest of national union and national reconciliation can this mutual mistrust be overcome. Of course we understand the concern of our compatriots in and outside the country over the recurrence of the tragedy of the past. We do believe that, with the joint efforts of our people—who have made all kinds of sacrifices for the sake of peace and national reconciliation—and the assistance of the international community, we will certainly be fully capable of preventing the recurrence of the tragedy of the past.

Beloved compatriots: Cambodia has already entered a turning point. Each of us is happy with the idea of peace coming to our miserable land. However, we realize that from the signing date of the agreement to the holding of elections, which is the final stage of a political settlement, a failrly long period of time is needed. According to some estimates, the election could take place in the year 1992 or the beginning of 1993. By all accounts, although the United Nations will come to oversee the implementation of the agreement, the present government and administration at all levels will continue to be responsible for managing socioeconomic affairs and maintaining social order until elections are held and a new government is established. Moreover, before and after elections, it is the responsibility of each family to deal with the living conditions. Although foreign countries have provided some assistance to national reconstruction, this does not mean the state supports all the families and individuals who do not need to work. So, now more than ever, I wish to appeal to state authorities at all levels and every official and employee to heighten their sense of duty in order to manage their work more effectively so as to iron out the current difficulties.

I wish to appeal to the armed forces and police forces everywhere to become actively involved in implementing the peace agreement by preventing violations and other criminal activities by bad elements. Violations of the signed agreement should be uncovered and prevented to contribute to the effective implementation of the peace agreement, thereby creating a neutral and safe environment for the elections. I wish to appeal to workers and farmers to show their effort in production activities in order to earn their living and also improve it. In particular, those in the flood-affected areas should energetically strive to solve the recent difficulties. I wish to appeal to businessmen, industrialists, and artisans to continue their operations in order to jointly promote the national economy and maintain the market stability, contributing to solving difficulties of the society. I wish to appeal to army officers and the rank and file of the other Cambodian side to observe the cease-fire agreement by ceasing to carry out armed hostilities, murdering the people, robbing and plundering their property, and wreaking havoc upon them. I wish to appeal to the refugees currently living in camps in Thailand, to be calm and to wait for an orderly repatriation with the assistance of the United Nations. They should not run across the border, which is dangerous due to mines, or face difficulties in resettlement. I also wish to appeal to those compatriots responsible for refugee camps not to try to force refugees to enter zones under their control against the agreement and against the refugees' wishes.

Before concluding, I would like to wish the clergy and the compatriots all the best.

Hun Sen Returns Home 6 Oct

BK0610120691 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1100 GMT 6 Oct 91

[Excerpt] At 1545 on 6 October, Comrade Hun Sen, chairman of the State of Cambodia's Council of Ministers and member of the Supreme National Council [SNC] of Cambodia, arrived safely in Phnom Penh after attending the 46th UN General Assembly and the informal SNC meeting in New York as well as visiting Paris, France; New Delhi, India; and the Kingdom of Thailand.

On hand to welcome Comrade Chairman Hun Sen at Pochentong Airport, were, among others, Comrade Say Phuthang, member of the party Central Committee Political Bureau, chairman of the Central Control Commission, and vice chairman of the State Council; Comrade Bou Thang, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers; Comrade Chea Soth, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers; Comrade Sar Kheng, member of the party Central Committee Political Bureau and chairman of both the Central Organization Commission and the party Central Committee cabinet; Comrade Say Chhum, member of the party Central Committee Political Bureau and standing vice chairman of the Council of Ministers; Comrade Mat Ly, member of the party Central Committee Political Bureau and vice chairman of the Central Control Commission; Comrade General Tie Banh, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and defense minister; Comrade Men Sam-an, member of the party Central Committee Political Bureau and chairwoman of the Cambodian Federation of Trade Unions; Comrade Nguon Nhel, member of the party Central Committee Political Bureau and agriculture minister; Comrade Ney Pena, member of the party Central Committee Political Bureau and vice chairman of the Central Control Commission; Comrade General Sin Song, alternate member of the party Central Committee Political Bureau and interior minister; Comrade Sim Ka, alternate member of the party Central Committee Political Bureau and secretary of the Phnom Penh municipality's party committee; Comrade Lieutenant General Pol Saroeun, alternate member of the party Central Committee Political Bureau, deputy defense minister, and chief of the Cambodian People's Armed Forces General Staff; as well as other members and alternate members of the party Central Committee, ministers and their deputies, directors general and their deputies, and leading cadres from the central institutions and Phnom Penh. [passage omitted]

Political Report Outlines Rapid Changes in Party

BK0710011591 Bangkok THE NATION in English 7 Oct 91 p A1

[Text] Phnom Penh—Phnom Penh's ruling People's Revolutionary Party of Kampuchea (PRPK) has completed a political report that it says will turn socialist Cambodia into a "free and liberal" country overnight with no government control over the press.

The 7-page draft document, to be rubber-stamped on Oct 16 at the party's sixth congress, also outlined the country's political and economic future as well as foreign policy. The report, which was prepared by the party's central committee, was finished on Friday.

Besides changing the current party's name to the Pracheachon Party, or People's Party, and its official emblem, the report calls for the adoption of multi-party democracy, making it the first Indochinese government to allow opposition parties.

The draft uses the words "liberal democracy and multiparty system" to accentuate the choice of Cambodia's future political system, replacing rigid Marxism and Leninism—terms officially dropped from the party's documents since the 13th Plenum in August.

Prime Minister Hun Sen, who arrived here yesterday from Bangkok, hinted about the coming changes when he told reporters recently in Paris the new political situation in Cambodia had enabled the government to plan major changes for political and economic life.

The chairman of the National Assembly must be elected by the people, according to the report, which goes on to say that the party wil also respect human rights.

Some Phnom Penh-based diplomats said the party's swift political changes are an attempt to ensure self-preservation to avoid the pitfalls that caused the collapse of communism elsewhere. The party has 30,000 members.

"For the party to stay on in power, it has to liberalize its tight, decade-old rules," said a Eastern European diplomat.

If approved by the congress and the National Assembly's extraordinary session, the changes would come one week before the signing in Paris on Oct 23 of a peace agreement between the four warring Cambodian factions to be followed by the stationing of United Nations peacekeeping forces. Prince Norodom Sihanouk will return to Phnom Penh on Nov 14.

The new party will recognize a "free market economy" and "land ownership of every family." Trade unions will be free and independent organizations no longer under the control of the government, the draft said.

Liberalization of education is equally extensive. Students will be able to attend universities without entrance examinations and they can study abroad by their own means. High school students can stay in private schools. Overseas Cambodians and foreigners can be admitted as students or teaching staff.

On foreign policy, the documents stated that Cambodia will remain a "permanent neutral" country with a foreign policy that respects the principle of peaceful coexistence and mutual interests. Cambodia wil be friendly to all neighbouring countries and express support for ASEAN's zone of peace, freedom and neutrality.

Diplomats said Chea Sim, National Assembly Chairman, and Hun Sen were important players in drafting the political report to respond to the new situation.

Communique on Truce Violations by Opposition

BK0510131791 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 5 Oct 91

["Press communique" on truce violations by resistance factions—read by announcer; date not given]

[Text] Last week, the Polpotist and Sonsannian factions continued a thorough but shameless showing of their muscles and fangs by firing hundreds of artillery shells and using ground forces to infiltrate our positions and the people's villages and communes. Along with this, they also carried out a census of people aged between 16 and 40 in various border camps in Thailand for the purpose of conscripting them to reinforce their armies, the strength of which has falsely been declared in order to fool international opinion. And lately, the Polpotist gang has built four new secret camps and sanctuaries in the areas of Mak Hoen, Malai, and Sampeou Lun and at Veay Chap Hill to conceal their huge amount of armaments and ammunition.

There is more evidence of their maneuvers to prolong and intensify war. The Polpotists on 30 September, for example, used barrage artilleries—including 120-mm mortar and 85-mm, H-12, and B-95 guns—to fire some 450 shells into Kdol Tahen Village, about 6-10 km southwest of the district seat of Bavel in Battambang Province. This is clear evidence that the gang intents to fire more and more artillery shells into our people's localities.

In the same province during the period between 27 and 30 September, the Polpotists used Route 58 to step up shipments of ammunition to the area of Ampil Pramdaeum 30 km northwest of Battambang Province.

On 24 September in Siem Reap Province, the Polpotist and Sonsannian factions launched onslaughts on the position of our 12th battalion there.

And on 23 September in Banteay Meanchey Province, a group of Sonsannian soldiers fired four rounds of 60-mm mortar into an area 19 km northwest of Sisophon, while the other four groups, with a 122-mm cannon and a DK-75 gun, secretely infiltrated an area 21 km northwest of Sisophon in an attempt to attack our positions in that area.

Son Sann Group Accused of Election Malpractice

BK0610052691 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 5 Oct 91

[Station commentary: "Thief Crying 'Stop Thief!'"]

[Text] The date for the signing of the Cambodian peace agreement, 23 October, is approaching. Durable peace without the threat of the danger from the past is also taking shape.

However, it is regrettable that the Son Sann group, through its clandestine radio, has instead strived to make noise to pollute the atmosphere of mutual trust, which is moving toward achieving peace. This group has been striving in its propaganda to degrade and look down on the State of Cambodia party saying that the latter is carrying out so-called maneuvers to pressure and intimidate people in order to gain votes in the forthcoming elections.

These are gross and most despicable words. Over the past more than 12 years, everyone knows that the Cambodian people, who live under the State of Cambodia's administration, have enjoyed all kinds of rights and freedoms. No one can deny this. On the contrary, it is the

Son Sann group that oppresses the rights and freedoms of our Cambodian compatriots living in Site Two by forcing these compatriots to serve its movement and act as a shield serving the policy to oppose the rebirth of the country and nation.

More recently, according to reliable sources, while people in camps are preparing to return home to take part in general, free, proper, and fair elections, the Son Sann group is conducting a census of persons aged between 16 and 40 in order to force them to don military uniforms and armaments to fill the group's register. This group had exaggerated the figures ten times and now cannot find troops to present to the UN Transitional Authority in Cambodia.

Furthermore, those who have infiltrated into zones under the State of Cambodia's control, have whispered and lured our people into going into camps to register and receive refugee cards. In its propaganda, this group says that the United Nations will give this or that much money. The fact is that this is to attract people into camps and force them to fill the troops' register and also buy the people's loyalty in the election. This runs contrary to the liberal democratic regime which the Cambodian Supreme National Council recently adopted in New York.

At the same time when this group is carrying out the above task, it is making noise about the State of Cambodia pressuring the people. This is aimed at deflecting the people's attention from the group's activities. This is really an outdated trick of thief crying stop thief.

Kandal Regional Party Special Session Ends

BK0710065591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 7 Oct 91

[Text] The special session of the regional party congress of Kandal Province which was held to discuss the draft political program of the committee of the Kampuchean People's Party and the draft amendments to the statutes of the Kampuchean People's Revolutionary Party [KPRP] ended successfully on the evening of 6 October.

During the two-day session, the party members representing all party committees and party chapters of all localities in the province fully agreed with the two draft documents and gave good opinions aimed at further perfecting the two documents.

The congress also approved a 13-man delegation and an address by the Kandal Province's regional party congress to be present at the extraordinary national congress which will be held in the near future.

In his closing speech at the session, Comrade Vong Sot, secretary of the Kandal provincial party committee and chairman of the provincial people's committee, stressed that the congress reached this unanimous agreement because it realized that our working situation was racing against time, thus requiring all of us to join forces in steering our Cambodian ship to the shore of peace—the long-standing aspiration of our party and people.

Commentary Urges 'Vigilance' for Unity's Sake

BK0510072191 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 4 Oct 91

["Short article": "More Vigorously and Constantly Holding Aloft the Banner of Great National Union Around the Supreme National Council with Samdech Norodom Sihanouk as Chairman for the Survival of the Nation and People"]

[Text] Hold the banner of great national union around the Supreme National Council [SNC] with Samdech Norodom Sihanouk as chairman more vigorously to ensure the survival of the Cambodian nation and people.

The Cambodian people everywhere, in and outside the country, realize the importance of great national union and revere it. With great national union, there is a people's force with independence, peace, neutrality, security, and harmony. Great national union would lead to social development and gradual improvement of the people's life because the people can earn their living as they wish without anyone plundering, harassing, killing, or threatening them.

The essence of holding aloft the banner of great national union around the Sihanouk-led SNC, in practical terms, is not just to end Vietnam's 13-year war of aggression. In the days ahead, the banner of great national union should also be more vigorously upheld around Cambodia's national government headed by Samdech Norodom Sihanouk to ensure the survival of the nation and race.

Our people clearly realize that to hold aloft the banner of great national union, no one should do anything that affects the great national union. Everyone should unite to smash the enemy's psychological warfare and warfare by peaceful means to incite the split of the great national union, which would cause insecurity in society or war in Cambodia.

We will hold aloft the banner of great national union around the Sihanouk-led SNC for many more generations to come to ensure independence, peace, neutrality, and prosperity for the nation and people.

Hun Sen Statement on UN Force Cited

BK0710092391 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 7 Oct 91

[Text] The Heng Samrin-Hun Sen regime opposed allowing countries involved in the Cambodian conflict to take part in the military mission of the UN Transitional Authority in Cambodia [UNTAC] and also warned that UNTAC should be neutral.

Last Saturday night, after arriving in Bangkok and staying overnight there from New Delhi, India, Hun Sen said that the role and the civilian and military composition of UNTAC have not yet been discussed by Cambodian leaders during the peace talks in the past few months. Hun Sen said however that his regime wants to see UNTAC's neutrality and will oppose countries involved in the Cambodian conflict taking part in the UNTAC military mission.

As for Thailand, Hun Sen said its role should be limited to repatriation and other fields, such as food and health aid of UNTAC.

Commentary Urges Unity Around SNC

BK0610043491 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 5 Oct 91

[Station commentary: "Only When All Cambodians Implement the Great National Union Policy and Unite Around the Supreme National Council Chaired by Samdech Norodom Sihanouk Can the Agreement for a Comprehensive Solution Be Implemented Well and Correctly"]

[Text] After the meetings of the Supreme National Council [SNC] and the five permanent members of the UN Security Council in New York on 20 and 21 September, the negotiations to end Vietnam's war of aggression in Cambodia can be said to have been completed. On 23 October, the Paris International Conference on Cambodia will be reconvened to solemnly sign the agreement for a comprehensive solution.

This is a historic victory for the national liberation struggle of our Cambodian nation and people. However, this victory is still legal and only on paper; its implementation still faces complex difficulties because the Vietnamese aggressors do not yet have the goodwill to give up their ambition to annex Cambodia and include it in their Indochinese federation. Vietnam is still trying by every means to hide its aggressor forces in Cambodia in order to continue carrying out subversive activities to split our nation from within so that Vietnam will have another opportunity to return to Cambodia.

In such a situation, the great national union without discrimination against black, blue, and red, and the past is the only policy for the survival of the Cambodian nation and race. This great national union means not only unity in liberating the country from the Vietnamese aggressors now, it is also for building, defending, and developing the country and ensuring its survival. Particularly now, all Cambodians should unite around the SNC chaired by Samdech Norodom Sihanouk and stop discriminating against black, blue, or red and the past and cooperate in implementing the agreement for a comprehensive solution well and correctly to completely liberate our country and nation from Vietnam's aggression and occupation and so that Cambodia can recover its genuine independence and right self-determination with full territorial integrity.

In this respect, compatriot Cambodian soldiers and officials forced by the Vietnamese to serve the war of aggression and occupation in Cambodia should stop serving the Vietnamese aggressors and return to live with the village and commune national councils under the Samdech Norodom Sihanouk-chaired SNC. They should join our people in uncovering hidden Vietnamese in villages and communes or in units of Cambodian troops and pointing them out to UN forces so that they are will be sent back to Vietnam. We should cooperate in dismantling all types of the Vietnamese aggressors' state authorities and replace them with national councils in villages, communes, districts, and provinces under the Samdech Norodom Sihanouk-chaired SNC.

We already have the SNC chaired by Samdech Norodom Sihanouk. This is the country's legitimate state organization. The SNC represents national reconciliation and national unity rallying all political tendencies. Therefore, stop serving the Vietnamese aggressors and killing the nation; come and unite around the Samdech Norodom Sihanouk-chaired SNC to cooperate in liberating the country from the Vietnamese aggressors and continue to build, defend, and develop the country and ensure its survival.

This is the duty of all Cambodians: Defend and safeguard the Cambodian nation and race.

Indonesia

Alatas Authorized To Amend Test Ban Treaty

BK0510132291 Jakarta ANTARA in English 0608 GMT 5 Oct 91

[Text] New York, Oct 5 (OANA-ANTARA)—An intensive consultation among signatories of the nuclear Partial Test Ban Treaty (PTBT) at the UN headquarters here on Friday authorised Foreign Minister Ali Alatas in his capacity as the chairman of the conference to amend the treaty in order to take step for reconvening the conference at the right time.

Majority of the signatories of the treaty during a conference to amend the treaty here last January stated that the treaty should be changed into a nuclear Comprehensive Test Ban Treaty (CTBT) to include an underground test ban.

The existing PTBT covers only nuclear test ban in air, outerspace and submarine.

They believed that nuclear disarmament would only be effective if the existing ban should also cover underground test.

The conference has failed to achieve its main goal since it was opposed by the United States and Great Britain, which have veto rights together with the Soviet Union in the treaty.

The conference has decided to postpone its deliberations until an opportune time and authorised the conference's chairman, Ali Alatas, to hold consultations with the PTBT signatories on various aspects concerning the proposed CTBT.

Alatas on ASEAN After Cambodia Issue Settled

BK0710011291 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 7 Oct 91

[Text] Foreign Minister Ali Alatas says that ASEAN will again concentrate on efforts to attain its original goal of turning Southeast Asia into a zone of peace, harmonious cooperation, and more tangible progress after the Cambodian issue is settled. Minister Ali Alatas said after attending the UN General Assembly in New York that the signing of an agreement on the settlement of the Cambodian issue scheduled to be held in Paris this month did not mean that the Cambodian issue was over because it would take 18 months to two years for the agreement to be implemented.

According to Minister Ali Alatas, ASEAN and Indonesia in its capacity as cochairman of the Paris conference will continue to be involved in the implementation of the peace agreement.

Minister Ali Alatas said that Indonesia's proposal for reviving the North-South dialogue on a new world economic order at the recent UN General Assembly had received a good response from various circles. However, we should now think of how to explore new approaches to revive the North-South dialogue.

Japanese Emperor Renews Pledge for Peace Efforts

OW0510150291 Tokyo KYODO in English 1339 GMT 5 Oct 91

[By Masanori Kikuta]

[Text] Jakarta, Oct. 5 KYODO—Japanese Emperor Akihito reiterated Saturday Japan should make "unremitting" efforts to promote friendship with the rest of the world by learning a lesson from its bitter wartime past.

Speaking at a press conference as he concluded the first visit to Southeast Asia by a Japanese monarch, he said the opinions of individual countries in the region on Japan's militaristic past appear to vary depending on their particular experiences at the time.

"I think it is necessary to make unremitting efforts in a humble manner in order to promote friendship with countries of the world, learning from past history and, based on this, never forgetting the resolve to live as a nation of peace," he said.

The emperor, accompanied by Empress Michiko, will leave for home Sunday, ending an 11-day swing of Thailand, Malaysia, and Indonesia, and the first overseas trip since his enthronement last year.

Most of Southeast Asia was under Japan's militarisic rule during World War II but some Asians say the occupation helped free their countries from colonial rule by Western countries. Thailand sided with Japan in the war.

The emperor reassured Japan's Asian neighbors on each stop of the three-nation tour that the country will never repeat "the horrors of that most unfortunate war" but he stopped short of apologizing for the Japanese aggression.

It has been more than 20 years since he last visited the three Southeast Asian countries, he said, and he felt closer ties between Japan and the three during this trip.

His previous visits to the countries "strongly impressed" their differences from Japan on him, making him feel the need for further efforts by Japan to understand each of them, the 57-year-old emperor said.

"But on this visit, I rather strongly felt common aspects as human beings between the nations and Japan," he said.

"I have felt afresh the importance of endeavoring to achieve the happiness of mankind together, respecting one another as human beings."

The empress, 56, who was also at the press conference, said she felt through her visits to welfare facilities during the trip that the time is over when people simply pity and shun the physically handicapped.

"I have got a strong impression that we are entering an era of living with the handicapped, assisting their self-help efforts," she said.

Earlier in the day, the imperial couple flew back from Jogjakarta, 550 kilometers east of Jakarta, after an overnight stay.

The trip included enjoying an open-door dance performance of the Ramayana epic romance that originated in India and a tour of historical sites.

Among the sites was the pyramid-shaped Buddhist monument of Borobudur dating back to the ninth century.

The couple put their right hands through holes on the wall of one of pagodas on the monument to touch a Buddha statue inside, a traditional gesture believed to invite good luck.

They later visited a forestry improvement and development center under construction with Japanese financial aid and planted a tree.

Expresses 'Satisfaction' With Visit

BK0610124791 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 6 Oct 91

[Text] Emperor Akihito and Empress Michiko have expressed satisfaction over their visit to Indonesia, particularly their visit to the ancient Borobudur temple.

Emperor Akihito was optimistic that his recent visit would also contribute toward further improving the existing friendship and cooperation between the two countries. This was stated by Minister-State Secretary Murdiono at Istana Negara [State Palace], Jakarta after President Suharto and Madam Tien Suharto bade farewell to Emperor Akihito and Empress Michiko during a sending-off ceremony this morning.

Murdiono said during his visit to Yogyakarta, Emperor Akihito offered his country's assistance to the forestry minister to extinguish the forest fire in East Kalimantan.

Leaves for Tokyo

OW0610050091 Tokyo KYODO in English 0427 GMT 6 Oct 91

[Text] Jakarta, Oct. 6 KYODO—Japanese Emperor Akihito and Empress Michiko left for Tokyo on Sunday after an 11-day tour of three Southeast Asian nations, the first to the region by a Japanese monarch.

A special Japan Airlines plane carrying the couple and their 34-member entourage departed from the capital's Air Force airport after they bid farewell to President Suharto and his wife Tien at the Merdeka Palace.

The Emperor and Empress visited Thailand, Malaysia, and Indonesia, meeting heads of state and government members during the trip that started September 26.

The tour went on schedule except in Malaysia, where bad weather forced the cancellation of a provincial trip.

It was the Emperor's first overseas trip since his succession to the throne following the death of his father, Hirohito, in January 1989.

Suharto Addresses ABRI Anniversary Ceremony

BK0510102891 Jakarta ANTARA in English 0633 GMT 5 Oct 91

[Text] Jakarta, Oct 5 (OANA-ANTARA)—President Suharto firmly stated here Saturday that the Indonesian Armed Forces (ABRI) should understand signs of the time when it should lead in front by giving example and when to follow from behind by giving support and guidance.

Addressing a ceremony to mark the 46th anniversary of the ABRI at the Senayan East parking lot here, the head of state also stated that whatever role to be played and position to be taken by the ABRI, the main goal "is the stabilization of the national development".

The development power has grown in all layers of the nation and it needed to be integratedly implemented in order to stimulate the creativity of the people, the president said.

The safeguarding of the national policy, he went on, should be realized by creating a room for maneuver, condition and opportunity needed to promote and develop the nation's creativity.

It's in this context that the ABRI must protect the development momentum and the nation's life from all kinds of threat and disturbance, he insisted.

"This is a great historical task of the young generation of the ABRI," the president said.

The young generation of the ABRI should continuously make preparations to match the existing challenges in their efforts to make the nation occupied the same level with other nations, he said.

The president said next year's general election should run tranquilly, in an orderly fashion, and smoothly to truly make it a democracy festivity and a moment for national reinvigoration.

He reiterated that the election of June 9, 1992, will have a special significance because the People's Consultative Assembly to be formed after the event will have the authority to set down directives for Indonesia's next long term national development.

Regarding the Non-aligned Movement summit to be held in Indonesia next year, he said Indonesia felt honored to be given a chance to help give birth to a new concept for the realization of world peace.

"This conference should run safely. In the past, ABRI had succeeded to execute its dedicative tasks to satisfaction. We are all confident that in the future too it will still be able to do so," he said.

First Lady Tien Suharto, Vice President and Mme Sudharmono, ministers of the Fifth Development Cabinet, and other dignitaries were present at the ABRI Day celebration.

Military Urges Vigilance Against 'Obsessions'

BK0510082191 Jakarta ANTARA in English 0558 GMT 5 Oct 91

[Text] Jakarta, Oct 4 (ANTARA)—Armed Forces (ABRI) Commander General Try Sutrisno has counseled all fighting forces of the New Order and all strata of the Indonesian society against falling into obsessions that are alien to the national system.

Speaking on TVRI television on Friday evening, on the eve of the 46th ABRI Day (October 5), the commander emphasized the necessity for vigilance against certain groups who, supposedly on behalf of the people, are intent on undermining Pancasila and the 1945 Constitution.

The New Order forces have to straighten intentions that are bent on leading the nation to not only a way of life and a type of personality that are alien to the nation's own system but also deviating from and even contradictory to Pancasila and the 1945 Constitution.

Various crises and people's sufferings that have been experienced by the Indonesian people in the past, as well as the crises and sufferings of other nations, Gen. Try said, should be taken as valuable lessons for Indonesians.

These experiences have proven that enforcement by coercion of alien value systems that are inharmonious with the personality and identity of a nation will never bring the people to prosperity.

On the contrary, this coercive enforcement of the alien value system will only bring crises and protracted sufferings on the people, he said.

For that reason, national stability in all sectors of life is always needed and has to be maintained and even enhanced.

In connection with stability, ABRI reaffirms its stance of not willing to take any risk, however small, against disturbances in any form or stage of escalation, he said.

The Indonesian nation is determined to make a success of and safeguard the 1992 general election and the 1993 general session of the People's Consultative Assembly (MPR). The determination will materialize in proper implementations if the members of society truly realize their respective roles and responsibilities.

ABRI is set to safeguard and make a success of the general election and the general session, the commander declared.

This year's ABRI Day commemoration carries the theme, "in the spirit of Sapta Marga (the Seven Paths) and the integration of ABRI with the people, ABRI ready to safeguard and make a success of the 1992 general election and the continuity of national development".

In his speech, Gen. Try also issued a seven-point order of the day for all members of ABRI.

The seven points in essence were: first, continue to uphold, safeguard and practice Pancasila and the 1945 Constitution, by continuing to revitalize and reactualize the applications of the values contained in them.

Two, hold firmly to Sapta Marga (the Seven Paths) and the soldier's pledge as the foundations of ABRI's struggle and dedication in carrying on the duties entrusted to it by the nation and state.

Three, strengthen the integration of ABRI with all strata of society, by consolidating common understanding of and belief in the Archipelagic Concept and the concept of national resilience, toward the creation of capability to cope with external and internal threats.

Fourth, preserve and consolidate ABRI's own integration, on the basis of consciousness of the national interest and nation's safety.

Fifth, continue to step up vigilance against any effort or act aimed at disrupting the national unity and cohesion, undermining the struggle of the New Order, and threateing the integrity and survival of the Republic of Indonesia unitary state and national life which is founded on Pancasila and the 1945 Constitution.

Sixth, maintain and step up alertness of all units and ranks, to be ready to execute any task of any form wherever needed by consolidating professionalism enriched with fighting spirit and high discipline.

Seventh, deal firmly in line with existing rules and legislations against anyone or any group who may try to disrupt the smoothness and order and success of the course of the 1992 general election and 1993 MPR general session.

Economic Growth Slowdown Expected in 1991-92

BK0410125391 Jakarta ANTARA in English 1021 GMT 4 Oct 91

[Text] Jakarta, Oct 4 (OANA-ANTARA)—Indonesia's economic growth in the 1991/1992 fiscal year was expected to slow down slightly due to the still uncertain world situation and to the current efforts to "cool down" the economy, State Minister of National Development Planning and Chairman of BAPENAS [National Development Planning Agency] Saleh Afiff stated here on Thursday.

At a hearing before the budget commission of the Indonesian Parliament, chaired by Ha. Bakri Srihardono of the Armed Forces Group, Saleh Afiff stressed that although the economic growth would not be as rapid as in the previous year, through intensification, extensification and efforts to uphold tax laws, development funds would remain sufficient.

The revenue was encouraging which was obvious in its steady growth of 28.7 per cent per year during two years of Pelita V [fifth five-year development plan] and it was still potential source of income, he remarked.

In 1989, taxes contributed only 11 per cent to the gross domestic product (GDP). This ratio was small compared with ASEAN countries such as Thailand, Singapore, and Malaysia which contributed 17, 18, and 23 to their GDP respectively.

According to Saleh Afiff, the development target would however be achieved and the target of a five per cent growth had already been surpassed. Indonesia recorded an average economic growth of 7.4 per cent per year in 1989 and 1990.

He reminded the Indonesian people to be always prepared for the possibility of a prolonged slowing down of the economic growth and of changes in the oil prices.

Therefore, non-oil/gas exports should be further encouraged, the chairman of BAPENAS advised.

Although a slowing down of the economic growth was expected in the 1991/1992 fiscal year, the government remained optimistic that it would still be satisfactory, Saleh Afiff asserted.

Saleh Afiff went on to explain that he did not share the view of the commssion member who stated that the government gave priority to the development above the routine budget.

Both budgets are complimentary and interlinked in the efforts to carry out development in the broadest sense, he stressed.

The decline in the contribution of the routine budget to the development efforts was only because of the increasing domestic income and to the fact that the routine budget should be efficient in character, he added.

The minister also explained that the private sector would remain the driving force of the national economy in Pelita V, 1989-1994), which was obvious in the dynamic activities of this sector in the development efforts so far.

Saleh Afiff further called on the Indonesian people to be always ready to safeguard the long term development target.

Laos

24 Sep Party Instruction on Constitution Noted

BK0410064591 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 4 Oct 91

[24 September instruction issued by the Political Bureau of the Lao People's Revolutionary Party Central Committee to responsible committees of all central services and party committees of all provinces and city municipalities on campaign to publicize the Constitution of the Lao People's Democratic Republic]

[Text] On 15 August 1991, the sixth session of the second Supreme People's Assembly endorsed the Constitution of the Lao People's Democratic Republic [LPDR]. The Constitution has turned the party's policies into basic laws of the state and has recognized the great results achieved by the multiethnic Lao people in the past cause of the national salvation struggle, as well as in the present cause of national defense and construction. The Constitution has also recognized the people's right to be owners of the country in the political, economic, and social spheres; various fundamental rights and obligations of the people; the state organizational system, etc.

To attain the aforementioned, the Political Bureau of the LPRP Central Committee has agreed to launch a campaign to thoroughly publicize the Constitution widely within the ranks of cadres, soldiers, police, and people by treating it as a necessary and significant campaign aimed at educating and training the cadres, soldiers, police, and people in the political area. The campaign is being conducted to enable everyone to come to understand the spirit and contents of the Constitution, which can help raise the level of their confidence in the new system. On this basis, it can encourage their spirit of revolutionary enthusiasm, that in turn will contribute to the building and promotion of the popular democratic system.

A. The purposes and objectives are as follows:

1. To uphold the patriotic spirit and a spirit that cherishes the popular democratic system; to consolidate the people's sense and competence of being owners of the country; to heighten the vigilance against subversive, wrecking schemes of the enemies in order to securely defend the country; and to continue to develop and build the country to become ever more prosperous.

2. To promote a unique national awareness that opposes the divisive schemes of the enemies; and to consolidate and strengthen the solidarity and harmony among the people of various tribes and all strata in order to produce the overall strength necessary to implement the two strategic tasks and the cause of modification.

3. To develop and enhance respect for the Constitution and laws in the ranks of the cadres, soldiers, police, and people; to oppose all acts that violate the people's rights to mastery, as well as acts that disturb the peace and the social order; and, at the same time, to check all acts aimed at sabotaging common interests, as well as the just rights and benefits of the people.

B. Certain guidelines that must be firmly grasped in studying the Constitution are as follows:

1. The study of the Constitution must be combined with the implementation of the work of various branches, units, and localities. An urgent task that must be performed immediately is to deal with the effects arising from the natural disasters. This can be done by means of crop care, making preparations for dry-season rice farming, planting subsidiary crops, and so forth.

2. The arrangements for the cadres, soldiers, and people to enable them to study the Constitution must be linked with an examination of the services, units, and individuals regarding their respect for, and execution of, laws and regulations. All acts that violate the people's rights to mastery—acts that might lead to the people's complaints about, and lack of confidence in, the new system—must be evaluated and criticized.

3. The study of the Constitution among the people must be also linked with an awareness by the people on the respect for, and implementation of, laws and regulations. All acts that violate the laws and regulations and encroach upon the common benefits as well as individual benefits must be boldly criticized. At the same time, arrangements must be made to inform and criticize the cadres, soldiers, and people, in particular the court police and public prosecutors, who have failed to strictly and fairly execute the laws and regulations—a failure

which has led to misunderstanding among the people, causing them to lose confidence in the justice of the new system.

After the study, a plan must be adopted for implementation in each and every area and village. First and foremost, it is necessary to adopt a plan to check the subversive, wrecking schemes of the enemies, maintain social order, and consolidate the solidarity among the people in each area and village in order to ensure favorable conditions for the people to earn their living under normal, peaceful conditions.

4. The contents of study: For the cadres, soldiers, and police, the study is based on the main contents in addition to the explanation of the Constitution. As for the people, the study is based on questions thay raise in addition to an explanation given by the cadres who guide the study. Each and every one must be allowed to express views. Reviews must be then made so as to help the people understand the Constitutiton step by step.

C. With regard to the arrangements for the study, the following issues must be firmly taken into account:

1. Each office, organization, military or police unit, economic or cultural unit, hospital, and school, both in the central and local areas, is authorized to organize the study within its service or unit, with a responsible committee being in charge of guiding the study from beginning to end.

2. Provinces and districts are authorized to train a number of cadres and then organize them to open study courses for the people. In places where there is a mobilization unit, cadres of the unit are authorized to educate and train the people. Based on the practical conditions of each locality, it is appropriate to open training courses for people in district towns first, and later for the people in rural and mountainous areas.

3. Training time can be divided into 10 periods. Two or three questions are to be studied in each period. For the people, one period can be organized for them each day in order to ensure that they have time to earn their living. Efforts must be made to complete the study by the end of November 1991.

4. The propaganda and information service must publicize the contents of the Constitution through radio, television, newspapers, and journals. It must also carry features giving an explanation of each issue. Simultaneously, attention must be made to carrying news on the study of the Constitution, in particular news about places where the studying courses are effectively carried out, so as to encourage other places to follow.

Upon receiving this instruction, the various central and local services are instructed to adopt plans to put the instruction into actual practice. At the same time, they must plan to review and assess the outcome of the study, as well as to collect and sum up public views and criticism and then submit reports to the center.

Chaleun Yiapaoheu on Constitution Popularization

BK0510101591 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 5 Oct 91

[Statement by Chaleun Yiapaoheu, member of the party Central Committee and standing committee of the Supreme People's Assembly and head of the Laws and Constitution Commission, on the campaign to publicize the Constitution—date not given, recorded]

[Summary] Following the sixth session of the second Supreme People's Assembly [SPA] in August, we promulgated the first Constitution of the Lao People's Democratic Republic [LPDR]. This signifies that, since then, we have stopped managing the state and society by using orders and resolutions. From now on, we are using the Constitution and laws. It is very important that everyone study the Constitution. However, it is even more important that all organizations and Lao citizens put the Constitution into practice to ensure the quality and effectiveness of the management of the state and society. For this reason, the Political Bureau of the Lao People's Revolutionary Party issued an instruction, dated 24 September 1991, on the implementation of the campaign to publicize the Constitution of the LPDR. I believe that everyone has been informed about the instruction, which was recently broadcast by the national radio and published by the PASASON newspaper. In this connection, I have some comments to make, as follows:

The most important part of the campaign is that we must try to enable cadres, soldiers, police, and people to thoroughly understand the contents of the Constitution, to the extent that they consider it their own responsibility to enforce the Constitution and laws.

The objectives of the Constitution popularization campaign set by the Political Bureau are:

1. "To uphold the political consciousness of the multiethnic people. In so doing, we must promote the patriotic spirit and a spirit that cherishes the popular democratic system"

2. "To promote a unique national awareness that opposes the divisive schemes of the enemies; and to consolidate and strengthen the solidarity and harmony among the people of various tribes and all strata in order to produce the overall strength necessary to implement the two strategic tasks and the cause of modification."

3. "To develop and enhance respect for the Constitution and laws in the ranks of the cadres, soldiers, police, and people; to oppose all acts that violate the people's rights to mastery, as well as acts that disturb the peace and the social order; and, at the same time, to check all acts aimed at sabotaging common interests, as well as the just rights and benefits of the people."

"The most important thing is that we must create a law-abiding consciousness that must include an understanding and observance of the Constitution and laws."

After the study, a plan must be adopted for implementation in every area and village.

The instruction requires that key cadres or leading cadres study the contents of the Constitution in addition to the explanation of the Consitution by the SPA chairman presented to the sixth SPA session. As for the people and cadres in general, they should study the 33 questions and answers about the major contents of the Constitution.

"I propose that the all party organizations and administrations be fully aware of the objectives of the instruction and work out timetables for the study. We cannot simply read out the Constitution and laws at meetings." We must hold discussions and voice our views about the Constitution.

"I appeal to all sectors and to the people to consider it their responsibility to study the Constitution and laws. Shortly, we will give explanations of the contents of the Constitution on radio and television. I call on our multiethnic people who have radio and television sets to tune in to this program. Thank you."

Damage From Natural Disasters, Relief Assessed

BK0710063591 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 7 Oct 91

["Situation program" on damage caused by natural calamities in the country this year and efforts to restore losses in each locality]

[Summary] "Respected listeners, it is predicted that people living in the localities severely affected by such natural disasters as drought, floods, and crop pests will be faced with rice shortages at varying degrees if no assistance is forthcoming from the government, local administrations, and international organizations.

"At a news conference held at the Foreign Affairs Ministry on 27 September 1991, Deputy Foreign Affairs Minister Soulivong Phasitthidet said that this year, Laos has been adversely affected by severe natural disasters, including drought, floods, and crop diseases, thus heavily causing losses to the life and property of the Lao people, including 25 people dead; 1,032 head of cattle, 122 pigs, and 3,100 fowls killed; 62 houses destroyed; 17.5 kilometers of roads cut; and 40 irrigation canals and 62,000 hectares of ricefields damaged. As a result, the overall shortage of more than 100,000 metric tons of rice for domestic consumption is expected to occur this year."

Boun-gnang Volachit, secretary of the party committee of Savannakhet Province, said recently that the recent flooding and drought in six districts—Khanthabouli, Songkhon, Atsaphangthong, Sonnabouli, Champhon, and Saibouli—has caused damage estimated at 7 billion kip to people's property and crops. However, the province has allocated 55.3 million kip as special funds to help alleviate the plight of the people so far.

Sekong Province has also suffered great damage from natural calamities, especially to roads and bridges, requiring 71.5 million kip of funds for repairing such roads as Nos. 16 and 13-B and the 471.5-km long Sekong-Dakchung road.

In Champassak Province, 60.7 million kip is sought to promote second rice planting in the coming dry season and to repair irrigation facilities. Some 31.6 million kip is also required to purchase crop seeds, inorganic fertilizer, and other equipment.

In Luang Prabang Province, 3,995 hectares of ricefields and crop plantations have been destroyed by field rodents. The provincial administration has allocated some 2 million kip of emergency budget to the agricultural service to carry out rodent eradication campaigns in August and September. The province has also been given 4 million kip by the Ministry of Agriculture and Forestry and international organizations to carry out repair work.

According to the chief of the agricultural service of Vientiane Municipality, the province plans to encourage people to engage in the second rice planting on 8,706 hectares of ricefields in the coming dry season.

To alleviate the plight of the Lao people affected by the natural disasters, the UN Development Program in Laos has granted some U.S. $50,000 to Laos. In August alone, this organization gave U.S. $50,000 to Sanakham District, Vientiane Province, to restore crop damage caused by drought. In addition, other international organizations and friendly countries have also closely monitored the damage caused by those natural phenomena in our country. The UN Food and Agriculture Organization [FAO] will dispatch specialists to Laos in early October to assess the losses and to find ways to relieve the predicament suffered by the Lao people.

During his recent visit to Laos, the FAO deputy director met with "Khamphoui Keoboualapha, deputy prime minister and minister of economy, planning, and finance; Sisavat Keobounphan, minister of agriculture and forestry; and Souli Nanthavong, minister of science and technology. They discussed achievements in agricultural and forestry development in the previous year and the production situation in 1991 in which many provinces have been extensively affected by natural calamities so as to find ways to provide FAO assistance to Laos."

Philippines

Soviet Envoy Promises Spectacular Regional Cuts

HK0710093191 Hong Kong AFP in English 0917 GMT 7 Oct 91

[Text] Manila, Oct 7 (AFP)—The Soviet Union will implement "spectacular cuts" in the number of its troops in the Asia-Pacific region in response to U.S. President

George Bush's offer to phase out some nuclear arms, the Soviet ambassador to Manila said here Monday.

Vitaly Koutchouk also told reporters that he was standing by an earlier promise that all Soviet forces would be withdrawn from foreign countries by 1995, but he admitted Moscow would face problems in reabsorbing these troops.

Asked how Moscow would react to the U.S. measure, Koutchouk said, "I think there will be spectacular cuts in personnel."

However he also said "we are dealing with the problem of employment, housing. While there is no reason to keep (our forces), we should dovetail our desires with the practical."

He did not elaborate on what troops would be withdrawn from Cam Ranh Bay in Vietnam.

Koutchouk previously told reporters that while the Soviets no longer had military reasons to retain their forces in Cam Ranh, it was still practical to use that base for bunkering and ship servicing.

Meanwhile, President Corazon Aquino said in a statement that "the action of the U.S. and the U.S.S.R. in decreasing their nuclear stockpiles is a welcome development," but did not elaborate on how it would affect the Philippines.

More Reaction to Base Withdrawal Issue Reported

Abadia Wants 'Orderly' Turnover

HK0410121091 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 4 Oct 91

[Text] General Abadia said he is hoping for an orderly turnover of Clark Air Base by this December and Subic Base within three years. Abadia expressed this view to Rear Admiral Thomas Mercer, U.S. Naval Base commander, and other military officers of the Republic of the Philippines-U.S. Mutual Defense Board in Camp Aguinaldo. Abadia explained the three-year phase out period, decided by Aquino and majority of the senators, to Mercer. He also informed Mercer about the formation of a joint withdrawal committee to prepare for the orderly withdrawal of the American bases from the country.

Ejection 'This Year' Urged

HK0510061191 Manila Far East Broadcasting Company in Tagalog 0100 GMT 5 Oct 91

[Text] The antitreaty movement warned that the U.S. military facilities in the Philippines could stay for 100 years or more if they are not ejected this year. The warning was issued by Renato Constantino Jr of the antitreaty movement following Malacanang's declaration of the three-year withdrawal period, which President Aquino hopes the Senate will approve. Constantino stressed that if the Americans remain in the Philippines, their meddling in the coming election could not be avoided. The United States will allegedly work for the victory of the politicians who will support and agree for the retention of their military facilities for many more years.

Rally To Seek Immediate Pullout

HK0710021291 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 6 Oct 91

[Text] A rally led by the leftist New Nationalist Alliance and attended by about 5,000 people will be held in front of the Senate tomorrow to demand the immediate pullout of U.S. forces from Subic Naval Base. Loreta Ann Rosales, People's Party president, said her group will join the rally by the people. According to Rosales, they will also launch a signature campaign nationwide to speed up the departure of the Americans this year. Tomorrow's rally is in protest against the three-year withdrawal period proposed by Malacanang and supported by 14 senators.

The group also plans to march to the U.S. Embassy after their program in front of the Senate.

The thousands of employees of Subic Naval Base will also hold a rally in front of the Senate this week to demand a longer withdrawal period for the U.S. forces in the country. The Federation of Filipino Civilian Employees Association will try to persuade the senators to reach a compromise withdrawal granting sufficient time for the Philippine economy to pick up after the damage it sustained from the Mount Pinatubo eruption.

Maceda Expects Majority Support

HK0510033191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Oct 91

[Text] Senator Ernesto Maceda has expressed the belief that a majority of senators will support the executive agreement granting U.S. forces a three-year withdrawal period. Maceda stressed that a Senate majority may approve the proposal at Monday's [7 October] caucus to decide whether or not to accept the three-year phaseout formula. At present, 14 senators, six of whom are antibases senators, support the compromise formula drafted by Malacanang. Aside from Maceda, Senators Joseph Estrada, Teofisto Guingona and Victor Ziga are also expected to sign the executive agreement. Maceda, however, said he is still studying the proposal and has asked Malacanang to provide more details such as the exact date of the withdrawal of U.S. forces, the turnover to the Philippines of the Subic ship repair facility, and formal or informal compensation.

Senators Hold Caucus 7 Oct

HK0710110691 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 7 Oct 91

[Text] Senator Ernesto Maceda hinted today that 18 senators will support the proposed three-year withdrawal of the Americans from Subic Naval Base. This is despite the strong opposition of the antibases hardliners in the Senate.

A caucus among the senators was held earlier this afternoon to discuss the withdrawal formula. Maceda said that the antibases moderates will argue for the approval of a three-year withdrawal period. Maceda also added that his colleagues from the antibases block have already agreed to abandon the one-year withdrawal formula which they backed earlier.

Proposal Blockage Said Possible

HK0710025791 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 6 Oct 91

[Text] Senate President Jovito Salonga hinted that antitreaty senators will block Malacanang's executive agreement proposal for a three-year pullout period if it does not tell the Americans to start removing its forces before 1991 ends. Salonga promised that the Senate will throughly scrutinize Malacanang's resolution which is set for submission to the committee on foreign relations, which in turn will submit it to a public hearing. Salonga said the resolution will be dealt with under normal processess, and it will be debated in today's Senate caucus. According to the Senate president, the Senate will also verify if the Malacanang compromise formula should pass through ratification by two-thirds vote of the Senate. Salonga expressed the belief that the antitreaty bloc, including Senators Rene Saguisag and Orlando Mercado, will not support Malacanang's formula if the removal of the combat troops by December this year is not stipulated.

Meanwhile, Salonga refused to comment on criticisms of his alleged different views on the U.S. bases issue.

Manila Drafting Diplomatic Note

HK0710094891 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Oct 91

[By Sonny Casulla of DZRH Unit No. 9]

[Text] Malacanang is currently drafting a diplomatic note informing the United States of the final and irrevocable three-year withdrawal plan for Subic Naval Base which will take effect beginning 17 September of this year. Press Undersecretary Horacio Dante Paredes said that is already final. Paredes said this after attending the meeting called by Executive Secretary Franklin Drilon with officials of the Department of Foreign Affairs and Armed Forces of the Philippines, headed by Secretary Raul Mangalpus and General Lisandro Abadia respectively.

The diplomatic note also expresses the Philippine intention to negotiate for an executive agreement with the United States which will execute the withdrawal plan.

Paredes also said that the government believes that there is no need to send a new notice of termination to the United States.

President Aquino also instructed Drilon to continue consulting with the senators on the completed draft of the diplomatic note beforing sending it to the United States.

Paredes also said that the executive will still try to convince the other senators to sign the resolution setting the withdrawal plan. Furthermore, according to Paredes, Drilon will be meeting separately with the senators who are for and against the resolution which sets the agreement which will benefit the country [sentence as heard]. Paredes also believes that the United States will approve the proposed withdrawal plan.

When reporters asked what will happen if the United States turns down the proposal, Paredes said that they will stay here forever. However, Paredes said that there is no reason for the United States to turn down their proposal. He also said that the diplomatic note does not mention anything about compensation; the Philippines is hoping the Americans will comply with their original commitment to help the Philippines, therefore, there is no reason for them to put it down in writing.

Aquino Views Legality Challenge

HK0710111091 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 7 Oct 91

[Text] The president believes that the withdrawal of the U.S. forces will not aggravate the people's poverty. This was President Aquino's response in the face of antibase Senator Wigberto Tanada's warning that Malacanang's plan to extend the stay of American troops for three more years will pose a legal case against the government. Here is Tanny Rodriguez:

[Begin Rodriguez recording] The president said that Malacanang is aware that the legality of entering into an executive agreement regarding the withdrawal period of U.S. troops at Subic Naval Base will be challenged.

According to the president, it is sad to think that this is the only way to unite the people behind its [government's] negotiations with the United States. Nonetheless, she said the government has no choice but to pursue this plan for the sake of the people experiencing hardships in Central Luzon.

The president assured that the withdrawal agreement, which will still have to be discussed by both countries, also aims to minimize adverse effects on the economy and give sufficient time for the country to convert the Subic Naval Base land area. [end recording]

Military Discusses U.S. Withdrawal

HK0710032491 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 6 Oct 91

[Text] The Department of Foreign Affairs and the Armed Forces of the Philippines will meet today [7 Oct] to discuss the details of the three-year withdrawal period for the American forces, which would be the central idea of the executive agreement to be presented to the United States.

Executive Secretary Franklin Drilon said topics to be discussed in the meeting include not only the U.S. forces schedule of withdrawal from Subic Naval Base, but also the Philippines takeover of the military base. Drilon stressed that in the discussion of the details, it be will ensured that the withdrawal will not be extended beyond the three-year period agreed upon. Fourteen senators have allegedly signed the resolution hammered out by the executive and the Senate. According to the executive secretary, the Philippines is set to send the United States a diplomatic note stating the government's wish to enter into an executive agreement with them which will serve as Subic's operating guide within three years in the absence of a treaty.

NPA Threatens U.S. Personnel

HK0710092291 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Oct 91

[By Fernan Imberga; italicized passages in English]

[Text] The Armed Forces of the Philippines [AFP] shrugged off a threat by the New People's Army [NPA] rebels to attack American troops if they do not leave the military bases in the country. The NPA's threat was the communist movement's reaction to the Aquino government's move to give the United States three more years to remain in Subic Naval Base. According to the AFP public information officer, Lieutenant Colonel Benjamin Enrile, the NPA rebels' threat against the Americans is old news. Enrile said the military will protect the Americans in the country, as stipulated in the mutual defense treaty between the Philippines and the U.S. Government.

On the other hand, the entire Philippine National Police [PNP] force is prepared to defend and protect the Americans in the various installations in the country. PNP spokesman Senior Superintendent Reynaldo Wycoco said the PNP has coordinated with American officials in the country and if they request security, it will be provided.

[Begin Enrile recording] *When I say a working relationship with some security personnel of the U.S. Embassy regarding security of their personnel here. So, I would say* that we have coordination on this, *and we are ready to respond anytime* if they have a request for security for their personnel. [end recording]

That was Lieutenant Colonel Reynaldo Wycoco, official spokesman of the PNP.

Referendum Abandoned After 'Secret' Surveys

HK0410061391 Hong Kong SOUTH CHINA MORNING POST in English 4 Oct 91 p 23

[By Manny Benitez]

[Text] With the announcement by the Philippine President, Mrs Corazon Aquino, that the United States military presence in the country must be phased out over three years, after the Senate rejection of the proposed Philippine-American Treaty of Friendship, Cooperation and Security, issues in the controversy between the two old allies appear to have been joined.

But have they? Sources in Manila say that Mrs Aquino reached the decision to abandon her plan to support a national referendum in an effort to override the Senate rejection of the treaty—which would have allowed the Americans continued use of their military bases in the country for another 10 years—after three secret public opinion surveys yielded negative results.

Ironically, according to the same sources, public opinion changed after the eruption of Mount Pinatubo which laid to waste the two biggest U.S. bases in Asia—Clark Air Force Base and Subic Naval Base, which services the U.S. Seventh Fleet.

Most Filipinos were disappointed that instead of increasing offers of help, the Bush administration decided to abandon Clark and lower its promised level of economic and military assistance, sources privy to the results of the opinion surveys said.

The last survey before this was carried out by the Social Weather Station of the Ateneo University of Manila in 1987 and the results showed that at least 60 percent of Filipinos were for the continued presence of the U.S. military bases, which are the source of about U.S.$1 billion (HK$7.8 billion) yearly revenue for the country.

Faced with the negative results of the latest surveys, Mrs Aquino and other probases leaders in Manila decided on a compromise: A U.S. military phase-out over a reasonable period of time.

Hard-liners among the anti-bases senators like former defence secretary Mr Juan Ponce Enrile wanted an immediate U.S. withdrawal to last for not more than one year, while pro-bases advocates like Senators Jose Lina and John Osmena proposed a seven-year phase-out.

Finally, Mrs Aquino adopted the proposal made by her former spokesman and confidante, anti-bases Senator Rene Saguisag.

The picture became clearer when two critics of the bases and the president, Senators Orlando Mercado and Joseph Estrada, a presidential aspirant himself, took up the Saguisag proposal.

At the same time, to cushion the effects of a U.S. withdrawal on the peace and order situation, Mrs Aquio authorised negotiations with both the leftist rebels led by the communist-inspired New People's Army and rightist rebels, mostly military renegades led by cashiered army colonel Gregorio "Gringo" Honasan.

Both negotiations are reportedly making good progress, with the communists insisting on an immediate withdrawal by the Americans as one of their basic demands.

One sticking point left in the talks with the rightist rebels is their demand that their military ranks be restored with compensation and other privileges dating back to the time when they launched the first of their series of bloody coup attempts against Mrs Aquino.

On the economic front, a panel of Filipino economists and industrialists has come up with a plan to convert the two bases—or what is left of both—into private commercial enterprises.

One plan proposed by Senate President Jovito Salonga is for the continued use of the dockyards in Subic Bay—the largest such facility in Asia—by the Americans but run by Filipinos on a commercial basis.

Mr Salonga, a brilliant U.S.-educated lawyer, has been instrumental in the landmark vote rejecting the proposed bases treaty.

The compromise formula reached by Mrs Aquino leaves the door open for a continued U.S. military presence in the Philippines. Next year the country will be electing an entirely new government and the bases issue promises to be one of the main talking points in the campaign.

Even now, it threatens to divide further the fractious country, and if Mrs Aquino has to do it all over again, she may stand for reelection to become the rallying point in a national reconciliation programme.

But whether it is Mrs Aquino or somebody else, all that Washington hopes for is that the next president of the republic—and the Senate—will be more sympathetic to the U.S. cause.

'You Are Included' Group Cancels Signature Plan

HK0510061091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Oct 91

[Text] The "You Are Included" group has suspended its plan to gather 3.5 billion signatures for the holding of a referendum on the bases issue due to the compromise agreement reached between Malacanang and the Senate. This was stated by Senator Joey Lina after his meeting with President Aquino in Malacanang yesterday. The setting aside of the plan for a referendum came after Mrs. Aquino and the majority of the senators agreed to give the U.S. forces a three-year withdrawal period. Senator Lina clarified that the group decided to stop the signature campaign but would resume it if the antibases senators oppose the three-year withdrawal period. President Aquino expressed the belief that the three-year period for the U.S. forces is sufficient for the base workers to find new jobs.

Referendum Signature Campaign in Olongapo City

HK0710015191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 6 Oct 91

[Figures as heard]

[Text] Residents of Olongapo City have launched a signature campaign to hold a referendum to save the U.S. military facilities from closing down after the Senate junked the new treaty. Olongapo officials said they hope that 90,000 out of the 110,000 registered voters will sign the petition seeking a referendum to reverse the Senate decision rejecting the new bases treaty.

The Olongapo officials went ahead with this move despite President Aquino's temporary suspension of the plan due to the three-year phaseout period agreed upon.

As of 1500 yesterday, 24 percent of the 120,000 voters had already signed the petition for the retention of Subic Naval Base. Subic contributed an estimated $180 million to Olongapo's economy in 1990, proving that the 350,000 residents in this province depend largely on the naval base.

Columnist on 'Dishonesty', 'Rigging' of Surveys

HK0710083491 Manila PHILIPPINES NEWSDAY in English 7 Oct 91 p 10

["Turn of Events" column by Francisco S. Tatad: "Should You Believe All Those Surveys"]

[Text] Nothing is sacred anymore.

The moral law and the Constitution are routinely violated, words are given their opposite meanings, logic is twisted, facts are falsified by fancy or invented out of thin air—all in the name of political power.

So many of our people have been deranged and idiotized by false propaganda and will march under any flag provided they are told it is popular. All it takes is for someone to invent the first lie, and this lie, particularly if it quotes a survey, will then be repeated by everyone who hears it until it becomes a truth celebrated and consecrated even by well-meaning men.

A psychopath or a moral derelict who has no inhibition whatsoever in foisting himself or herself on the nation can succeed in this game, with a little money and a lot of cunning. This, you can be assured, is what lies at the bottom of those so-called surveys about the "popularity" of certain presidentiables.

The claimed statistics in any of these surveys are not verifiable. They cannot be verified except through an election where the same presidentiables are running. Only the voters' votes, properly counted and tabulated, can and will validate them.

Thus if you want to advertise yourself as a popular presidential aspirant, even without a party, a program of government or any political experience to justify your running, provided you have your uses to the permanent major players, all you have to do is manufacture your first survey, buy all the hacks you can buy to market and vouch for your popularity, and you'll end up surprising yourself about the success of your operation. You might even end up believing your own reported popularity rating.

The average media consumer is a natural and unquestioning sucker for "facts." Informed by his favorite radio announcer or gossip columnist that you are the most popular person in the land, he will not ask why you are or why you should be; he will simply quote the reported "fact," without knowing whether it can be trusted or whether it is for real.

I do not discount the validity of all surveys: I am not saying we should dismiss them. In some countries, political polling has developed into an advanced science, and no one plans a national campaign without undertaking a survey or series of surveys to guide one's planning. There is equal need for it here.

But there is simply too much dishonesty around, and when I see someone using a survey for propaganda purposes, then I begin to suspect that it has been packaged precisely for that purpose, and nothing else. The stakes are simply too high and the players too powerful and frequently without scruples that they will stop at nothing to manipulate public opinion and bend the popular will. [sentence as published] To them, politics is war by other means.

Through this process, some of the most hypocritical and rotten personalities in our midst are being accorded high popularity ratings in surveys supposedly conducted among people who feel very strongly about hyprocrisy, dishonesty and corruption. We have entered the age of disinformation and so many find in the media a powerful instrument of deception.

In a recent article in the LOS ANGELES TIMES, staff writer Bob Drogin, writing on the rejection by the Senate of the proposed Treaty of Friendship, Cooperation and Security between the Philippines and the United States, reported:

"Embassy officials and Aquino aides leaked poll results to reporters purporting to show that 68%, 72%, even 81% of the Philippine people were pro-bases. The polls, however, never existed. 'I made the numbers up,' one American now concedes."

This is not a major discovery, but it is quite an admission. How many more political statistics are pure inventions? We do not know. In the absence of any specific information, we have a duty to doubt every claim that comes our way.

What about the ZNN (Radio Veritas) survey of so-called presidentiables? Should we pay it any more attention than we pay a newspaper's survey based on subscription coupons mailed to the newspaper? Given the methodology of surveys of this type, in which one person can register his opinion countless times and one group move the results as one moves an issue in the stock market, we can see how eminently faulty it is as an index of public sentiment. But as ZNN has a powerful transmitter and a nationwide listenership, it is easy for it to claim reliability and try to create a bandwagon effect among its listeners for its favored bet.

This is where, with all due respect, one must ask certain pointed questions. Are the political clerics in the Archdiocese of Manila back at the same game they played in 1985-86? Is the ZNN survey part of the conditioning process preparatory to rigging the 1992 elections in favor of probases candidates?

I do not find it easy to ask these questions and I have many friends at ZNN who may be offended by my asking. There is nothing personal here, and I am sorry if I cause any offense. But these questions have to be asked because they are legitimate public questions.

As everyone knows, may of those in positions of authority in the Archdiocese of Manila have not been free of political motives or involvement. On a number of occasions, some of them have shown themselves more obedient to the desiderata of Washington than to the directives of the Vatican. they have allowed themselves to be used by certain external and internal forces and have not hesitated to use their offices for political ends.

As many of them were deeply involved in the anti-Marcos campaign, so many of them are now deeply involved in the pro-bases campaign. And the first was but a prelude to the second. It is worth finding out what commitment they have to keeping the U.S. military presence beyond the 1991 constitutional deadline, and whether that commitment ended with Bishop Ted Bacani's brave but futile effort to convince the Senate to concur in the treaty.

In the face of the defeat of the pro-bases cause and the refusal of the U.S. and Malacanang to recognize that defeat, they might see no moral difficulty in getting involved in another effort to rig the elections in the hope of producing a president that would do better than Mrs Aquino, and a new Senate that would do better than the present Senate, in defending the U.S. military presence.

I sincerely hope I am wrong, but the ZNN survey could be the first indication that something like the involvement of the political clerics in the 1986 elections is already in motion.

Congress Urges Suspension of Nuclear Plant Debt

HK0710065091 Manila BUSINESS WORLD in English 7 Oct 91 p 8

[By Benjamin B. Cruz]

[Text] The Government will not be allowed to pay Bataan Nuclear Power Plant (BNPP) debts starting next year pending the settlement of the court case lodged by the Philippine Government against Westinghouse, builder of the mothballed plant, the House of Representatives' committee on appropriations decided over the weekend.

BUSINESS WORLD learned Congress will start floor deliberations today on the P [Philippine pesos] 308.4-billion 1992 budget proposed by President Aquino with a surprise item—suspension of payments on BNPP's $2.2-billion debt.

The Philippines pays about $300,000 daily to service the interest of the mothballed plant's loan. For next year, almost P800 million had been earmarked for the loan's payment, and another P10 million under the President's contingency fund.

"Gusto talaga nilang makasigurado na babayaran ito (They—Malacanang people—really want to make sure this will be paid). They even put a separate amount under the Office of the President," an informed source told BUSINESS WORLD.

In removing from Malacanang the authority to further service the debt, the committee, chaired by Rep. Rolando Andaya of Camarines Sur, noted the court case has to be resolved first before continuing the payment.

Presidential Body

The committee's decision to suspend BNPP debt payment may have been influenced by the recommendation of the BNPP presidential committee to block the buy-back scheme for the BNPP debt papers.

Jaime Guerrero, deputy chairman of the presidential committee, earlier told the Andaya committee the willingness of the country's debt negotiating panel to spend part of the $2.3 billion in new money offered by creditors to buy back the BNPP debt will not only "obliterate the loans which we have always contended to be tainted" but shall weaken the Government's case.

The suspension of the BNPP debt payment, if it is finally approved by the entire Chamber, is expected to pass the Senate.

Members of the Upper Chamber pushing for a "more radical" debt approach want the BNPP debt payment stopped. Senator Rene Saguisag who, with the help of American lawyers, is suing Westinghouse [as published]. Majority floor-leader Teofisto Guingona has asked Mrs. Aquino to stop the loan payment and later charged that her office is protecting two international banks financing the mothballed plant.

Mrs. Aquino, who vetoed an earlier similar provision, is again expected to veto the BNPP payment suspension.

This time last year, Congress approved a budget which had a provision limiting debt payments to 20% of the country's merchandise exports. The President vetoed it and the Supreme Court backed her decision.

National Police Undergo Personnel Reshuffling

HK0710075691 Manila THE CHRONICLE in English 7 Oct 91 p 6

[By Joey Caburnida]

[Text] The Philippine National Police [PNP] has embarked on major organizational and logistical changes to enable it to lead the war against the 22-year communist insurgency and other threats to national security.

Just recently, PNP Director General Cesar Nazareno appointed four police generals to key command and staff positions and reshuffled four police officers assigned to Camp Crame.

The PNP has also purchased P[Philippine pesos]128 million worth of firearms, particularly cal. 38 service revolvers numbering 15,700 and 12-gauge shotguns numbering 4,500. all the revolvers and 500 of the shotguns are already in its arsenal, but it still is awaiting delivery of the rest.

Nazareno also called for the creation of another regional police command unit in Metro Manila, to enhance effective law enforcement and decentralize administrative functions in Crame and Camp Bagong Diwa in Taguig.

The reshuffling at Crame seemed to have coincided with harsh public criticism against both the military and police, for their alleged involvement in criminal activities.

But senior police officers denied the link, stressing that the reshuffle was one of the measures aimed at developing the PNP capability to combat the New People's Army [NPA] and other internal security problems.

In an interview, Nazareno stressed that this new police role was mandated by Republic Act 6975, the PNP Law, which had turned over the task of addressing internal security problems from the Armed Forces of the Philippines to the police.

But Nazareno was quick to point out that this new role did not mean the police would now have more powers than the military. "We have our own task: addressing internal security threats. The AFP [Armed Forces of the Philippines] will focus on external aggression," he said.

"Our lawmakers, in creating the PNP Law, considered the insurgency problem as principally a police rather than a military problem" Police Senior Superintendent Reynaldo Wycoco said.

Wycoco, the PNP spokesman, added that the Department of National Defense and Interior and Local Government had forged a memorandum of agreement on the mechanics of a transition period during which the police will gradually assume internal security functions.

The agreement gives the AFP two years to turn over to the PNP all internal security tasks, and a grace period of one year more if the military fails to meet the deadline.

To prepare for the role, the PNP started assuming primary responsibility for all counterinsurgency operations in the islands of Mindoro, site of the PNP pilot project, and just two weeks ago, Leyte.

"In a few months, we'll also get Quezon province," Wycoco said.

The PNP Capital Command also assumed operations against the Alex Boncayo Brigade, the armed city partisan group of the NPA, from the AFP National Capital Region Defense Command.

Nazareno expected the PNP to assume responsibility for all counterinsurgency operations from the AFP by the end of 1991. This, he said, would be a "monumental task," since at least 17% or 7,140 of the 42,000 barangay nationwide were NPA-influenced.

The PNP, he stressed, would therefore have to develop its fighting capabilities to the maximum.

And while it is doing so, the PNP is also embarking on another counterinsurgency strategy; initiating localized peace talks with communist leaders, which it and the military viewed as a means to hasten the peaceful resolution of the insurgency.

So far, at least three provincial governments have declared a truce with the guerillas to help bring them back to the folds of the law. But NPA rebels in Negros Oriental, Negros Ocidental and Quezon have yet to respond to these overtures, even as their leaders branded the initiatives as "divide and rule" tactics.

CPP-NPA Revolutionary Committee Head Named

HK0610012991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Oct 91

[By Fernan Imberga of DZRH Unit 22]

[Text] The Communist Party of the Philippines [CPP] Central Committee has appointed a female New People's Army [NPA] member to head the strong and powerful Southern Mindanao Revolutionary Party Committee [SMRPC]. Aurora Cayon, alias Commander Lilay, was promoted from SMRPC deputy secretary to be the first woman secretary of the CPP-NPA Mindanao front. Cayon is said to be angry with Menandro Villanueva, who was captured by military intelligence operatives in a raid on a Davao City safehouse last month.

Based on military intelligence reports, Cayon, after assuming her new position, allegedly ordered an intensified progressive tax collection in Southern Mindanao, particularly from businessmen in Davao City and other urban centers in the region. Cayon, who according to the military is a hardliner, wants to sustain and increase tax collection for the revolution in her area of jurisdiction to fund the party's action program. It was learned that the SMRPC has surpassed all other communist fronts in finding funds for the CPP-NPA in the first six months of this year. However, the NPA progressive tax collection was temporarily suspended after June because of the intensified and widespread military operations in some areas in Southern Mindanao. The documents which fell into the hands of the military also stated that Cayon was personally chosen by Prudencio Calubid, the secretary of the CPP-NPA Mindanao Commission, during a meeting of the rebel movement's top leaders in Davao City. In the plenum, the high-ranking leaders assessed and evaluated the movement's political and military activities in the first semester, on which they based their new tactics and strategies to further improve the CPP-NPA's capabilities in the entire Mindanao region.

NDF Questioned About Cease-Fire Negotiation

HK0710102991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Oct 91

[Text] Five communist rebels and two government soldiers were killed while eight others were injured in two separate encounters in Surigao del Sur and Mountain Provinces. The first encounter occurred in Surigao del Sur, where 200 New People's Army rebels attacked the Philippine Army detachment in Barangay Alimbungan. The government troops fought the rebels, resulting in the death of five rebels and a government soldier.

In Mountain Province, over 50 communist rebels ambushed two Philippine Army battalions while patrolling in Sito Atimawan. The encounter lasted over an hour, with four government soldiers wounded.

Meanwhile, military and Philippine National Police personnel questioned the leadership of the National Democratic Front [NDF] regarding authority on negotiating for a cease-fire with the government. It is recalled that the cease-fire was aimed at ending the Philipppines' 22-year old insurgency problem. However, the military and government officials expressed skepticism regarding the NDF's sincerity on the cease-fire, which aims at restoring peace. Based on an extensive investigation carried out by military officials, the NDF is only an illusion of the Communist Party and the Communist Party of the Philippines-NDF is just one entity. The officials also learned that NDF officials Antonio Zumel, Jose Maria Sison, and Father Luis Jalandoni are also Communist Party officials and that they were only listed under the NDF after the movement launched its national congress last year. There was also major confusion about who is the movement's real spokesman after the multisectoral peace advocates appeared. [sentence as heard]

Central Bank Wants Debt Relief Increased

HK0710064891 Manila PHILIPPINES NEWSDAY in English 7 Oct 91 p 8

[By Andres B. Saracho]

[Text] The Philippines will seek to expand the coverage of its debt relief package with the foreign commercial bank creditors from the initial $5.3 billion to about $6.7 billion, Central Bank [CB] Governor Jose L. Cuisia Jr. said Friday.

Cuisia, vice chairman of the Philippine debt negotiating panel, said the broader package will take into account the country's $1.4-billion medium and long-term private financial and corporate debts in addition to the CB's and public sector obligations of $5.3 billion covered by the August agreement.

He said the request will be discussed with the foreign bank representatives next week during the annual meeting of the boards of governments of the World Bank and the International Monetary Fund in Bankgok. The Philippine debt panel will leave Manila on Oct. 10.

With the more comprehensive package, the country hopes to realize a bigger reduction in its foreign debts, which as of end-May stood at $28.88 billion.

Under the tentative commercial bank agreement, the government is expected to eliminate $1.5 billion in its debt principal and reduce interest payments to the banks by $2.3 billion over the next six years.

Cuisia emphasized, however, that implementing the deal still hinges on two critical factors. One is whether the Philippines would get a big percentage of the amount as new money in exchange for either the temporary interest rate reduction (TIRR) bonds or the hybrid par bonds. Another is the resolution of the Philippine Nuclear Power Plant (PNPP) debt paper issue.

"We have to agree on a critical mass in order for the deal to push through," Cuisia told reporters. "Unless we get a big percentage of the package (for the new money bonds), it is more difficult to justify a significant debt relief."

"We are trying to bring the percentage as high as possible without also making it impossible to attain because if you put a very high critical mass and you don's attain it, then we don't have a deal. It's a very delicate balancing act that we have to do," he said.

Cuisia said the critical mass is crucial to getting the enhancements from bilateral and multilateral fund sources, led by the World Bank and the IMF.

In Bangkok, Philippine officials will drum up support for the debt relief package to raise up to $1 billion for the collaterals. Those being ayes, aside from the World Bank and the IMF, are the Asian Development Bank, the United States and Japan.

"The IMF and the World Bank want to see that there is significant (foreign creditor bank) participation to be able to justify to their own boards their giving out funds for a package that will significantly result in relief for the country," Cuisia pointed out.

On the PNPP debt paper issue, the CB governor said he hopes a consensus will be reached when the Executive-Legislative Foreign Debt Council convenes tomorrow.

"Hopefully, we can make a final recommendation to President Aquino for a decision" before the debt panel leaves on Thursday, Cuisia said.

The ticklish issue revolves on whether or not the nuclear papers should be included in the foreign bank transactions. The Senate wants the commercial bank debt for the mothballed Bataan nuclear power plan treated separately from the other debts, a position which Malacanang opposes.

Cuisia also said talks with the creditor banks over the term sheet will touch on the drawdowns the country can make initially. He said the debt panel has indicated it wants to draw at least 60 percent of the new money component upon the implementation of the agreement early next year.

It was likewise proposed that the remaining 40 percent be disbursed in two tranches within 1992. Previously, the initial drawdown was targeted to be made late this year.

The CB chief added that details for a possible cash buyback option will be discussed with the banks, specifically whether it would be done through an auction system or at a fixed price.

The buyback was the fourth option in the August agreement with the banks, to be undertaken only if the country has adequate resources to perform it. In 1989, the Philippines was able to retire $1.3 billion of its medium and long-term debt through a cash buyback arrangement with the banks at a fixed discount price of about 50 percent.

Spending Hike Reportedly To Stimulate Inflation

HK0710091091 Manila PHILIPPINES NEWSDAY in English 7 Oct 91 pp 1, 2

[By Andres B. Saracho]

[Text] Finance Secretary Jesus P. Estanislao has warned President Aquino about the danger of galloping inflation that could stunt economic recovery efforts as he proposed a three-pronged program to raise P[Philippine peso]39 billion in revenues to strengthen the country's fiscal position next year.

"Winning the fight against inflation requires persistence on the safe but hard course toward economic stability," Estanislao said in a memorandum to President Aquino released to the media on Friday.

He said he fully sympathized with the call for an acceleration in government spending in the wake of the Mt. Pinatubo eruptions, but added that "it would entail greater madness and a graver dereliction of responsibility to throw fiscal caution to the winds at a time of raging inflation."

The National Statistics Office released on Friday that the country's year-on-year inflation rate shot up to 19.3 percent, the highest level in six years.

In 1992, the Philippines is targeted to lower consumer prices to 7.5 percent under the economic stabilization program with the International Monetary Fund. But Central Bank Governor Jose L. Cuisia Jr. has said the inflation rate target may be revised upward to about 10 percent, which economists said would still be difficult to achieve considering the anticipated surge in election spending.

With the economy still in the doldrums, Estanislao said the hard course toward economic stability can be managed only by keeping the financial position of government strong. He said this can be done by restraining spending down to the barest levels the government can afford and expand the revenue base for the government.

"It is on the balance of the fiscal position of the government where the fight against inflation can be won or lost, and it is in winning this fight where hangs the economic fate of the nation, above all that of Juan de la Cruz [the man in the street]," he pointed out.

To increase government spending without inflation galloping up to uncontrolled heights, Estanislao has proposed a three-pronged fiscal program that would cover the P39-billion shortfall in the government's budget next year.

The revenue base for 1992 is expected to yield only P250 billion of resources for the government against the minimum spending demands of P289 billion.

The shortfall was attributed to losses in programmed revenues arising from the P1 average domestic oil price cut and the phasedown in the import levy from 9 percent to 5 percent, both implemented in mid-August, and the suspension of the 17-centavo per kilowatt-hour increase in power rates.

The oil price reduction translated into a loss of P6.6 billion in revenues while the levy phasedown, P10 billion. On the other hand, the freeze on the power rate adjustment meant P7 billion in government advances to the National Power Corp. to bail it out from its present financial woes.

"Considering the new realities we face, it is best that we go about the daunting task of raising as much as P39 billion more than what our revenue base can yield, with a combination of daring and of realism," Estanislao said in the memorandum.

Under his proposed program, the first P13 billion would be generated from administrative improvements in tax collection efficiency and a boost to asset sales, including the sale of the Roppongi property in Japan.

Another P13 billion would be generated from the new revenue enhancement measures currently being worked out in Congress. These include the alien stay legalization program, which is expected to raise P6 billion in revenues, the refinements in the value added tax (P5 billion), and the simplification in the net income taxation system (P2 billion).

"In the wake of the destructive lahar flows, in the aftermath of emotional discussions regarding the bases treaty, and in view of the expressed preference for us to go largely on our own, the time has come to act on those measures that enhance government's revenue base," Estanislao said.

The third P13 billion would be realized through savings on the budget with the implementation of the debt reduction program, covering both foreign and domestic debt. Estanislao said the comprehensive debt relief package with foreign creditors is expected to yield savings of P6 billion while a domestic debt restructuring program would net P7 billion.

The finance chief said government efforts will be geared toward reducing interest rates on the short-term Treasury bills to 19 percent-20 percent from the current 23 percent level, which add approximately P10 billion to the interest bill the national government has to shoulder on a per annum basis.

With the three approaches, Estanislao said, "Only thus can we once again bring down interest rates, thereby encourage invetments, and consequently boost the real growth of the economy. For us who are already paying more than 25 percent of the government budget for interest on domestic debt, there can be no room for sweet-talking ourselves naively into prosperity by overspending, as though money grew on trees."

The Philippines is projected to grow by less than 1 percent in real terms this year and by slightly over 2 percent in 1992.

Manila Hopes To Decrease Cost of Money in 1992

HK0710064491 Manila PHILIPPINE DAILY INQUIRER in English 7 Oct 91 p 17

[By Arlene C. Chipongian]

[Text] The government is bent on bringing down the local cost of money to 19 percent in 1992 from an average of 25 percent this year to generate substantial savings of as much as P [Philippine pesos] 6 billion in the proposed budget for next year, Finance Secretary Jesus P. Estanislao said.

The bulk of the allocation for debt-service payments in the proposed 1992 budget would go to local creditors since the government had been borrowing heavily from the domestic market through the flotation of Treasury bills and notes.

The continued rise in interest rates could bloat the domestic debt service burden for next year if the government fails to initiate moves to influence the cost of money downward.

The reduction in domestic interest rates is part of a three-pronged fiscal program that Estanislao presented to President Aquino to draw up measures needed to cover a projected P39-billion budget gap in 1992.

Estanislao told Mrs Aquino that "the big bang that can be made through the comprehensive debt relief package now being finalized can result in the impact many have been clamoring for. Coupled with a responsible domestic fiscal policy that can bring the national government into a virtual balanced budget, which is certain to bring down interest rates and therefore cut down its heavy domestic debt service burden, the savings on the budget can range from P6 billion to P13 billion per year."

The Finance chief explained that the debt relief program next year would not only cover the government's foreign obligations but its domestic borrowings as well.

He said that 80 percent of the country's maturing debt next year represent loans from local creditors. These are mostly borrowings of the national government through the flotation of the short-term, high-yield Treasury bills.

Estanislao said that with the continued rise in interst rates in the local market, domestic interest payments in 1992 would increase by P 10 billion.

Under the three-pronged fiscal program, he said the debt relief package for both local and foreign debts would contribute savings of as much as P13 billion to help cover the big budget deficit projected next year.

Another option presented by the Finance Secretary was the acceleration of the sale of government-acquired assets, including the Ropponggi property in Tokyo, and the improvement in administrative measures for tax collection.

These measures could contribute another P13 billion in additional revenues in 1992 and fill up part of the P39-billion projected budget deficit for the year.

He told Mrs Aquino that, "with the support of Congress, both work programs can lay the basis for a long term, sustained widening of the government's revenue base."

A third option in the fiscal program proposed by Estanislao was the legislative support for the passage of new revenue measures that would include the refinements in the value-added tax, the simplification of the net income tax system, and the rationalization of other tax measures.

These revenue-enhancement measures were projected to generate another P13 billion in income for the national government.

Estanislao said that the bureaus of Internal Revenue [BIR] and of Customs were now carrying out major reforms in line with the program to generate the money needed to bridge the big budget gap in 1992.

He said the BIR had formulated a five-point program to improve its revenue collections while the Customs agency was also putting together a work-simplication program.

The International Monetary Fund (IMF), which recently sent a mission to assess the oprations of the BIR and to review its plans for computerization, had been impressed with the significant progress made with respect to two of the major elements of the five point tax reform package, Estanislao said.

Thailand

Cambodian Premier Stops Over, Calls on Chatchai

BK0710012591 Bangkok BANGKOK POST in English 7 Oct 91 p 6

[Text] Cambodian Prime Minister Hun Sen said yesterday he has enjoyed a better working relationship with Prince Norodom Sihanouk.

Hun Sen made this remark to Gen [General] Chatchai Chunhawan when he paid a courtesy call on the former prime minister at his Soi Ratchakhru residence before flying home yesterday.

The Cambodian Prime Minister made a stop-over in the Thai capital when returning home from New Delhi to Phnom Penh.

Gen Chatchai hosted lunch for Hun Sen and they met for about two hours.

Hun Sen said his visit was intended to pay respects to the former Thai leader who he said had contributed to the peace settlement in Cambodia.

Hun Sen called Gen Chatchai "uncle" but the latter said he preferred to be called "brother."

The Cambodian leader told Gen Chatchai that India has promised to send 200 troops to take part in the implementation of the peace settlement reached in New York last month between the Phnom Penh government and the three guerrilla groups.

Hun Sen said while in the process of drafting the peace settlement, he has developed closer relations with Prince Sihanouk, who is president of the Supreme National Council.

The prince is ready to abandon the Khmer Rouge if that faction does not agree with the peace settlement and the cease-fire, Hun Sen said.

Pointing out his better relations with China, Hun Sen said while in Beijing on the way to visit Prince Sihanouk in Pyongyang, he received so much honour from Chinese Premier Li Peng that he regarded it as a major change in the Chinese attitude towards Phnom Penh.

Prince Sihanouk has relegated part of his duties to him and this reflects the closer working relationship between them, Hun Sen told Gen Chatchai.

A 200-strong United Nations inspection team will soon be in Cambodia to supervise the implementation of the peace treaty, he said.

The Cambodian Premier ruled out inclusion in the UN peace-keeping force in Cambodia of contingents from countries that have been involved in the 13-year-old conflict.

Hun Sen was responding to questions from reporters on the possibility that soldiers from Thailand's armed forces might join the peace-keeping forces to be sent to Cambodia after a settlement is concluded later this month in Paris.

"Any country which has been involved in the conflict should not take part in the peace-keeping duty," he said.

However, he did not mention any country by name.

Thailand, he said, would be expected to play a role in the peace process on the repatriation of up to 340,000 Cambodian refugees presently housed in camps on its border with Cambodia.

Thailand was to have a role also, Hun Sen pointed out, with shipments of supplies to the UN Transitional Authority in Cambodia (UNTAC).

Foreign Minister To Lobby U.S. on Iraqi Assets

BK0510062191 Bangkok BANGKOK POST in English 5 Oct 91 p 13

[Text] Foreign Minister Asa Sarasin will lobby senior United States officials in Washington for the partial release of Iraqi assets so the war-torn country can pay for 645,000 tons of Thai rice.

Mr Asa is currently in New York to attend the United Nations General Assembly and will travel to Washington next week.

The Foreign Ministry announced Mr Asa's plans yesterday, reaffirming that the Thai Permanent Mission to the UN had kept up its efforts to help the consortium of thai rice traders—which had sold the rice in three separate agreements since July 10—secure the sale.

As a result of a UN ruling which meant all countries could release Iraqi assets when they saw fit, the Chase Manhattan Bank in New York had refused to open a letter of credit for Baghdad to pay for the Thai rice, the Iraqi Government said.

The Ministry said in a press release the Thai Permanent Representative Mission in New York had conferred with the UN and US officials concerned to seek clarification of the matter.

The US Government had refused to release Iraq's assets and there was no sign the UN Security Council would come up with a resolution to return the assets.

"These measures are applied across the board, and are not specifically aimed at Thailand," the release said.

The Thai mission in New York had "notified" the 661 Committee of the UN to extend leniency to the Thai traders to deliver the rice to Iraq, but this did not mean the committee would be held responsible for payment, or order the American bank to release the Iraqi accounts.

The committee and other countries holding Iraqi assets had consistently rejected Iraq's appeals to consider partial release of its assets for the purchase of food and medicine.

At the same time, Iraq's suggestion that it would pay for the rice through oil sales was not possible because the revenue from this activity—expected to be about US$1.6 billion—would go into a UN central account which the Iraqi government did not have access to, the statement said.

"However, the Foreign Ministry is trying in all possible ways to help the Thai rice traders," it said.

Mr Asa would raise the issue when he met with senior US officials in Washington.

Iraq To Buy Thai Rice Through Bank of Greece

BK0710014591 Bangkok BANGKOK POST in English 7 Oct 91 p 28

[Text] The Baghdad Government has succeeded in convincing the Central Bank of Greece to release Iraqi assets to allow it to purchase an additional 30,000 tons of Thai rice.

The success of the surprise move has given Thai rice exporters renewed hopes their 5,000-million-baht rice deal with the Baghdad Government is not beyond salvation.

Chaiyapon Rice Co Ltd managing director Paibun Kuansongtram, a key man in the rice deal, told BUSINESS POST at the weekend the Central Bank of Greece had agreed to release the Iraqi assets to buy 30,000 tons of Thai rice after a request from the Iraqi Government.

A letter of credit for the purchase, worth about US$9 million, was opened from Athens to the Bangkok Bank's head office on October 3 and shipment was due in the middle of this month, Mr Paibun said.

He said the Central Bank of Greece had earlier informed the Bangkok Bank of the granting of the letter of credit through the Bank of America, but said he had asked the bank to open a direct letter of credit with the Bangkok Bank instead, because of concern the Bank of America may refuse to release the assets.

Mr Paibun also said he had asked the Thai Ambassador to the United Nations, Nit Phibunsongkram, to convey a message about the development to Foreign Minister Asa Sarasin, who was in New York attending the UN General Assembly.

In July this year a group of nine major Thai rice exporters signed an agreement with the Baghdad Government to sell Iraq 645,000 tons of 15 percent white rice.

The rice exporters were Chaiyapon Rice, Sun Hua Seng, Capital Rice, Seng Thong Rice, Hong Yeah Seng, Siam Rice Trading, Huay Chaun Rice, Puay Heng Long and Kit Pon.

The first 45,000-ton shipment was made in August, but this year's second shipment of 200,000 tons and next year's 400,000 tons had been halted because the United States would not release Iraqi assets.

Last month the Iraqi Government asked the Chase Manhattan Bank in New York to release its assets, but the bank refused, quoting a Bush Administration warning that releasing the assets would violate a UN resolution.

Problems with the deal had had an adverse impact on the Thai rice market, so exporters were trying everything possible to secure the sale.

Their moves were supported by the Government, especially Mr Asa, who was trying to lobby US officials on the matter, because the deal would help to stabilise local rice prices for the upcoming harvest.

Mr Paibun was confident the Greek Government's release of Iraqi assets could be a major turning point for the Thai rice exporters' chances of keeping the deal alive.

Although there was no sign of the UN Security Council coming up with a resolution to return Iraqi assets, it had allowed each government to make the final decision on whether to release assets held in their banks.

"The decision of the Greek Government did not violate the UN resolution, but showed the humanitarian spirit of its government ... to help Iraqi people who are facing a severe shortage offoodstuffs," he said.

"It may inspire the US to change its decision."

Agriculture Minister Reports on U.S. Visit

BK0510052991 Bangkok Radio Thailand Network in Thai 0000 GMT 5 Oct 91

[Text] Agriculture and Cooperatives Minister Anat Aphaphirom reported on the results of his recent visit to the United States.

He said he had the opportunity to observe artificial rainmaking activities in the United States. A U.S. institution, which has more than 10 years of experience in artificial rain, assured him of the usefulness of artificial rain provided that long-term records assessing the rainmaking results are kept. Four years ago, the United States helped train Thai officials to use radar to decide which clouds are suitable for artificial rain.

The minister said that at present Thailand needs to make more rain for various reserviors. To this end, a memorandum of understanding was signed with the United States, with Thailand requesting furthur assistance from the United States for the next five years from 1992 to 1996. The U.S. Government will take care of all expenses in the form of grant aid worth about 100 million baht.

Moreover, the minister added that he also visited national parks in the United States. He said that most of the national parks are state-run to provide facilities for visiting tourists. The private sector is not allowed to run the national parks. The United States uses a large budget to maintain its national parks in their natural state and to assist visitors to the parks.

The minister said he believes that there should be an exchange of visits between Thai and U.S. officials to apply knowledge and guidelines to the national parks in Thailand.

U.S. Receives Protest on Pharmaceutical Law

BK0510042891 Bangkok BANGKOK POST in English 5 Oct 91 p 3

[Text] Members of the Coordinating Committee for Primary Health Care of NGOs [Nongovernment Organizations] (CCPN) submitted a protest note to an official at the US Embassy yesterday.

The protest, addressed to President George Bush, accuses the US of forcing Thailand to amend the Pharmaceutical Patent Law "for monetary profit" without regard to justice, democracy and humanity.

To threaten and bully a much smaller and weaker nation for pharmaceutical profit, without waiting to achieve this through an international agreement, such as GATT, is an example of injustice and inhumanity, the CCPN said.

"The US has not recognised the military junta-enacted government, correctly saying that the Thai Government is undemocratic.

"However, the US is forcing the undemocratic Thai Government to enact laws against Thai people.

"This is an example of the hypocrisy and undemocratic policy of the US," the group said.

Accord With Laos, Australia on Mekong Bridge

BK0510040391 Bangkok Radio Thailand Network in English 0000 GMT 5 Oct 91

[Text] Thailand, Laos, and Australia on Thursday [3 October] signed an accord supplementary to the memorandum of understanding relating to the Mekong River Bridge Project linking Thailand's Nong Khai Province and Laos' capital city of Vientiane.

The signing ceremony was held at the Ministry of Science, Technology and Energy in Bangkok.

Representing Thailand at the ceremony was Minister of Science, Technology and Energy Sa-nga Sapphasi. The Laotian side was represented by Deputy Minister of Communications, Transport, Posts and Construction (Seun Phetsanghan), while the Australian side by Australian Ambassador to Thailand Richard Butler and Australian Ambassador to Laos Michael Mann.

Apart from the supplementary accord, Australia also signed an agreement to commission (John Halland) Construction Limited to construct the Mekong River Bridge.

Construction work of the project is scheduled to begin on 25 November with the foundation stone laying ceremony to be witnessed by the Thai and Laotian prime ministers, as well as the Australian minister for foreign affairs and overseas trade.

The Mekong, or Friendship Bridge, will be completed in March 1994.

General Clears Political Air for IMF Meeting

BK0510020691 Bangkok THE NATION in English 5 Oct 91 p A1

[Text] A top military officer yesterday sought to dispel fears of a possible coup to overthrow the Anan government and insisted that the election would be held on schedule early next year.

Gen Wimon Wongwanit, a Class Five general who is deputy defence minister and deputy supreme commander, also dismissed the National Peacekeeping Council's chief [NPKC] adviser Bunchana Atthakon's prediction that a political accident might disrupt the plan for the new constitution to be promulgated next month.

"There won't be any political accident because an accident is something nobody can foresee. It will not occur," he said.

Wimon's statements helped to clear the political air during the run-up to the upcoming crucial World Bank/International Monetary Fund meeting. There have been disturbing rumours in the past few days that top military leader Gen [General] Suchinda Khraprayun's supporters want him to replace Prime Minister Anan Panyarachun after the international meeting, and that a coup was an option to achieve that goal if Anan refused to give up his post.

The rumours coincided with fears, real or apparent, among the military that a possible flare-up of noisy protests would benefit their rivals seeking to discredit the National Peacekeeping Council in the glare of the publicity which the international conference would generate.

The jitters prompted an overreaction from Suchinda, now the most powerful military figure as supreme commander, army commander-in-chief and NPKC deputy chairman, who threatened to impose a ban on public rallies. But the move apparently backfired when Deputy Prime Minister Pol [police] Gen Phao Sarasin, in charge of security measures for delegations to the conference, rejected the proposal out of hand, accentuating the rumour about the brewing rift between the government and the NPKC.

Wimon and another Class Five army general, Assistant Army Commander-in-Chief Gen San Siphen also voiced objections to Air Force Commander-in-Chief ACM [Air Chief Marshal] Kaset Rotchananin's view that the next prime minister should be a soldier for the sake of political stability.

"That's just a personal view. And everybody has his view in a democratic system. Not everybody has to agree with him and I don't. I still don't see how a coup can be prevented if a soldier took over as prime minister," he said.

San also said that anyone, soldier or civilian, can be prime minister if he could lead the country to prosperity.

Kaset is seen as one of the NPKC members who is not happy with the Anan government's performance and if there was any basis to the rumours, then Wimon's statement indicated that not all of Suchinda's suporters wanted Anan out.

Wimon also commented that the military could not stage another coup in the future if politicians improved the quality and the ethics of Thai politics.

"But if the future situation continues to be the same as it has been, it would be hard to avoid a political crisis. However, I personally believe that it would be increasingly difficult to stage a coup," he said.

The two general's statements pointed to a trend that the political situation was returning to normal, temporarily at least, creating a positive atmosphere at home for the international event.

San also said yesterday that no special preparations were being made on the part of the military to cope with possible political unrest. No ban on public gatherings was in the offing and the only contingency measures being worked on was how soldiers would help the people in case of major inundations, he said.

"On the part of the army, the First Army Region is now taking care of the security side. But essentially, I think it's the responsibility of the police to provide protection to delegates to the meeting. If the Police Department feels it needs military back-up, its director general may ask for support from the military police," he said.

The New Aspiration Party [NAP], which previously fired salvos at Suchinda for his threat to impose a ban on public rallies, meanwhile, toned down the anti-military rhetoric yesterday.

NAP's director Phisan Mulsatsathon, who is one of the top leaders of the party, joined Suchinda's call for peace and order during the international event.

—National Assembly President Ukrit Mongkhonnawin voiced confidence that the constitution would be promulgated on scheduled.

If the committee scrutinizing the draft feels it is behind schedule, the chairman could call special meetings in the race against time, Ukrit said.

He said that he had discussed the matter with committee chairman Osot Kosin, who expressed his intention to meet the deadline.

The constitution should be ready for promulgation next month and the election can be held within three months, he said.

Ex-MP Surrenders; Social Critic in Sweden

BK0510055691 Bangkok THE NATION in English 5 Oct 91 p A2

[Text] A new Aspiration Party [NAP] member yesterday surrendered himself to police to fight the defamation charges lodged by the army chief recently.

Army chief Gen [General] Suchinda Khraprayun filed a complaint alleging that Chaturon Khotchasi had defamed the army by claiming that irregularities were involved in the procurement of a Bt [baht] 300-million weapons purchase from Austria.

Chaturon, a former Chat Thai Party MP, said he had not tried to escape. He said he decided to give himself up shortly after having learned from television that police had issued an arrest warrant for him. He was accompanied by a senior NAP member, Wira Musikaphong, from Chumphon Province in the south.

He said he would not ask for bail and would let the case be handled according to the judicial process.

However, Samsen Police Sation chief inspector Pol Lt Col Sophon Chinphongsanon said that people arrested on the same charge could generally be bailed out for Bt20,000.

He complained that he had been painted like a criminal despite the fact that this was a minor defamation case.

Chaturon said he would not comment on whether the military's move constituted political persecution.

Asked if this was a move to discredit the NAP, Chaturon said: "I don't know. I will simply continue my political activities in the direction that will benefit the people."

Meanwhile, Army Secretary General Maj Gen Chaturit Phromsakha na Sakhon Nakhon said the matter may end up in a reconciliation between the army and Chaturon. However, it depends on Gen Suchinda, he added.

Maj Gen Chaturit said the army chief simply wanted to clear Charuton's charge that there was corruption in the army.

Police issued the warrant after Chaturon failed to meet the police deadline to give himself up on Tuesday.

—Social critic Sulak Siwarak, who is also wanted by police on the same charges as Chaturon's, said yesterday in an interview with the British Broadcasting Corporation he was concerned about his safety if he turned himself in to police.

Sulak said he was not worried about fighting the case in court. He added, however, that he feared those in power might intervene in the judicial process despite the fact that they vowed not to interfere. "I don't trust them," he said.

According to a Swedish Foreign Ministry official in Stockholm, Sulak turned up in Sweden recently.

Police issued an arrest warrant for Sulak on charges of lese majeste and defaming Army chief Gen Suchinda during a political debate at Thammasat University in August.

Sulak accused the military leaders of having sought logging concessions from Burma and of learning how to stage a coup from the Burmese junta.

He said yesterday that staging a coup and enacting laws without HM [his majesty] the King's endorsement were serious crimes.

In the BBC interview, conducted in Thai by Sanya Bunnak, Sulak said he had gone abroad to avoid being criticised as a trouble maker at home.

Earlier, there were reports that Sulak, then being sheltered at a Western embassy in Bangkok, would surrender to police.

Chawalit's NAP Unveils Election Candidate List

BK0610021091 Bangkok THE NATION in English 6 Oct 91 p A2

[Text] Several prominent ex-government officials, including a former deputy police director general, an ex-regional army commander and a former civil servants council chief, will run in the next general election under the New Aspiration Party [NAP], the party announced yesterday.

In the group's first official introduction of its key candidates to the public, NAP secretary general Prasong Sunsiri said among the candidates to stand under his party's banner are ex-deputy police chief Ophat Rattanasin and former commander of the First Army region Gen Siri Thiwaphan.

Ophat retired from the police service this month while Siri resigned from the army to join the NAP.

The other prominent candidates of the party included Samran Thawarayut, ex-secretary general of the Civil Service Commission, ACM Pruangwit Hongsanan, former assistant air force commander in chief, Gen Dr Singha Saowaphak, former director general of the Army Medical Department and Wirachai Dechawichit managing director of the Major entertainment group, acording to Prasong.

The NAP was founded by ex-army chief Gen Chawalit Yongchaiyut, the man whom political critics give a good chance of becoming the next premier, after his estrangement from the Chatchai Cabinet last year.

Although it is being viewed as one of the strongest political parties to contest the upcoming polls, because many veteran politicians from other parties had defected to it, the group has also been heavily criticized by its rivals for allegedly having applied money-dumping tactics to recruit its prominent members.

At a press conference at the NAP's headquarters yesterday, Prasong denied that Chawalit left for the United States for heart surgery. The party chief is scheduled to return on Oct 16, he said.

Prasong also denied involvement of his party in any activist groups' plans to organize political rallies and protests while the World Bank/International Monetary Fund meeting takes place in Bangkok later this month.

In a related development, Democrat Party spokesman Churin Laksanawisit brushed aside speculation that the political strength of his party in the northeastern constituencies has declined greatly after some of its MPs there defected to the NAP.

Although some ex-Democrat MPs have left the party, most of its key figures from the Northeast, including Prachuap Chaisan, Niphon Phromphan, Suthat Ngoenmun and Phonthep Techaphaibun, are still with the group, he said.

Churin said his party is not afraid of fighting against other political groups in southern constituencies, which were its strongholds in past elections. The group would even receive more support from local people because its leader, Chuan Likphai, is a southerner.

National Assembly Passes Value Added Tax Bill

BK0510023591 Bangkok THE NATION in English 5 Oct 91 pp A1, A2

[Text] The bill to replace the country's current business tax system with the value added tax (VAT) yesterday sailed through the second and third readings in the National Assembly.

The VAT bill is expected to be announced in the Royal Gazette soon and the new tax system will take effect from the beginning of next year.

The assembly voted to have the flat rate of the new tax fixed at seven per cent after much debate on which should be the most appropriate rate.

VAT is a sales tax that is designed to avoid the multiple taxation of the present business tax system. Officials say it will help the economy to be more competitive and be fairer than business tax because evasion is more difficult.

VAT will be calculated at the same rate on value added at each production stage when there is a trade transaction.

The VAT bill passed the assembly unanimously in its first reading on Aug 9 after which much time was spent in scrutinizing the legislation.

The first version of the VAT bill planned to fix the rate at 10 per cent. But many assembly members voiced concern that the high rate would lead to tax dodging.

During the debate before voting was called, some assembly members said the VAT rate should be only five per cent.

But Finance Minister Suthi Singsane argued that the seven per cent rate was the most appropriate one and was lower than that enforced by other countries' using the same system.

Suthi also played down worries that the prices of basic consumer goods would rise sharply after the new tax system takes effect next year. Suthi said the Commerce Ministry will contain the unreasonable increase in basic consumer goods' prices.

The assembly yesterday also passed 13 tax bills related to the VAT system.

The assembly decided domestic air freight, in addition to domestic land and sea freight would not be subject to VAT.

Following the new tax system's enforcement, business earning between Bt [baht] 600,000 to Bt1.2 million annually can either choose to pay the VAT or the 1.5 per cent lump sum business tax.

Vietnam

Army Paper Comments on Bush's Arms Reduction

BK0710093791 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 2 Oct 91

[QUAN DOI NHAN DAN article by Quang Loi: "Could It Be a Cut of Surplus Force?"—date not given]

[Text] The U.S. plan on reducing nuclear weapons announced by President Bush on 27 September include the total elimination of nuclear warheads and short-range nuclear missiles, removal of strategic nuclear arms including winged cruise missiles installed on warships, canceling the permanent alert order for strategic bombers as well as for intercontinental ballistic missiles which are scheduled for destruction in accordance with the START Treaty, and terminating the development of the deployment plan for long-range MX missiles.

It can be said that Mr. Bush's new plan has been warmly welcomed by public opinion in many countries—a rare U.S. arms reduction plan that promptly received such an honor. At a glance, one may see that this U.S nuclear arms reduction plan is a positive move aimed at accelerating the disarmament process, especially the nuclear weapons of mass destruction. However, the real objective of this unilateral nuclear arms reduction plan is not as simple as that. Times will help people understand this issue more profoundly if they carefully study and analyze it from a more perceptive angle, especially against the background of the current international situation, the relations between the East and the West, the Soviet- U.S. relations, and the internal situation of the United States.

After President Bush's announcement, a number of newspapers in the United States promptly commented that Mr. Bush's new plan sounds like a large-scale arms reduction, but in reality, it is just a token reduction plan. Military specialists, however, ironically commented that this is just an elimination of the U.S. surplus arms, mostly the old strategic weapons considered obsolete. In the military point of view, this plan is part and parcel of the U.S. military strategic adjustment in the post cold war period. In the past, during the East-West confrontation period and to serve the strategy of opposing communism, the U.S. installed nuclear missiles with ranges from 30 to less than 1,200 km aimed at the Soviet Union and Eastern Europe. The nuclear deterrent strategy has fulfilled its historic mission as prescribed by Washington. Now, after the crisis in the Soviet Union and the collapse of socialism in Eastern Europe, these strategic arms are not necessary for this traditional confrontation. In the current international political situation, while the West has admitted overtly that the Soviet Union is no longer a threat, it is illogical for the United States to maintain a permanent alert order for strategic bombers as well as for intercontinental ballistic missiles. Besides, this is only a termination of the alert order, while the Pentagon still has in its possession these weapons of mass destruction for use at any time. The fact that Washington has terminated the deployment plan for long-range MX missiles carrying 10 nuclear warheads does not mean that they have no such missiles in their possession; on the contrary, they have produced—during the past several years—50 MX missiles or 50 percent of the amount planned, while shifting to the deployment of a long-range Minuteman missile which carries only one nuclear warhead and is smaller yet more mobile than the MX.

It is noteworthy that while the world warmly and highly appraised Mr. Bush's initiative, Washington's top administrative and military officials showed their cautious attitude. To avoid disappointment, U.S. Defense Secretary Cheney advised that optimum results should not be expected. Joint Chiefs of Staff Chairman Powell asserted that the U.S. nuclear arms power has not been reduced, and National Security Council Chairman Scowcroft contended that those who wait for great gains derived from peace will be disappointed. According to figures released by the Pentagon, in the next several years the U.S. arms reduction plan can reduce the budget by only $18 billion, too small when compared to the U.S. total annual military budget of $300 billion.

During the past several decades, U.S. military policy has been formulated on the basis of the nuclear deterrent strategy. As a result, Mr. Bush's new nuclear arms reduction plan has not changed the nature and content of this strategy. In reality, while terminating the deployment of the abovesaid weapons which are not necessary for the current world politicomilitary condition, the U.S. is striving to modernize other strategic weapons including the B-2 Stealth aircraft program which requires $3.2 billion in the coming fiscal year, and continues to implement its SDI [Strategic Defense Initiative] program which needs $4.6 billion in 1992.

It can be said that President Bush's nuclear weapons reduction plan is not only of pure military significance, but also a deliberate political offensive. The U.S. President—a former World War II pilot—has chosen the right time to announce his arms reduction plan. Through this plan, Bush wants to make a triumphant landmark in the foreign policy he has implemented during the past several years.

THE NEW YORK TIMES wrote: This is the first time in his presidency that Bush acted boldly to create an impact for his future. With this proposal, Bush again enhanced his prestige in the international arena. Now that the Soviet Union and socialist countries in Eastern Europe have been disintegrated without a war, the United States, in a strong position, wants to show the world that it is dignifiedly putting the sword back in its scabbard. The United States wants to convey a message that a new world order is being established—of course the new world order in accordance with U.S. intentions.

With this nuclear arms reduction plan, the United States also wants to improve relations with its stubborn allies in

Western Europe—especially in countries where people did not welcome U.S. missile installations in their territories. German Chancellor Helmut Kohl has showed his delight upon learning of Bush's new plan, while millions of Germans showed gratitude to the U.S. President for his courageous decision.

It can be said that Mr. Bush's nuclear arms reduction plan is not only a political offensive in the international arena, but it is also has direct, concrete implications for U.S. domestic affairs, that is the 1992 presidential election with campaigns being actively organized. It is necessary to mention here that the Bush administration's foreign policy has been strongly criticized by its political opponents and public opinion while political observers contended that the Republican administration is weak in domestic affairs. Bush hopes that his nuclear arms reduction plan will create an image that his administration from now on will be able to concentrate more efforts on resolving pressing socioeconomic issues in the United States such as unemployment, housing, crime, public health, the aged, and homeless problems. Mr. Bush is calculating that his peace initiative will contribute to creating a new strength for the Republican to knock out the Democrat in the elections next year.

It is necessary to say that the U.S. unilateral nuclear arms reduction plan is merely an intention, not a real act yet, because the United States is waiting for the Soviet Union to respond reciprocally, otherwise the United States will withdraw its proposal. As a result, it cannot be said that this unilateral nuclear arms reduction plan is unconditional.

Prime Minister To Tour 3 ASEAN Countries

BK0510014891 Bangkok THE NATION in English 5 Oct 91 pp A1, A2

[By Kawi Chongkitthawon]

[Text] Taking advantage of the peace settlement in Cambodia, Vietnamese Prime Minister Vo Van Kiet will begin a tour of three key ASEAN countries later this month as part of Hanoi's efforts to integrate with the regional economy.

Vietnamese Ambassador to Thailand Nguyen Trung said yesterday that Kiet is scheduled to visit Indonesia on Oct 24 on the first leg of his three-nation, 10-day tour that will take him to Thailand on Oct 28 and then Singapore.

A diplomatic source said Kiet would visit Singapore on Nov 1-2 after his visit to Bangkok.

Trung said Kiet's visit shows Vietnam's determination to integrate with the region's economy. "For the first time since World War II, we now have a real opportunity to promote peace and regional cooperation," he said. "Vietnam is open to all forms of cooperation and development."

Kiet, a reformer, was elected Vietnam's new premier recently and pledged to continue and accelerate current economic reform in the impoverished country.

Vietnam has acceded to the 1976 Bali Treaty of Amity and Cooperation, in which the signatories have vowed to use peaceful means to solve conflicts.

Kiet's visit is reminiscent of former Vietnamese premier Pham Van Dong's ASEAN tour in September 1978, when he travelled to Thailand, the Philippines, Indonesia and Malaysia.

Bangkok-based diplomats said that by choosing to visit the three ASEAN countries on the same trip, instead of only Thailand as originally planned, Vietnam was displaying active diplomacy in trying to woo ASEAN investment and economic cooperation as well as attempting to play a role in the emerging regional order.

"Hanoi is giving a lot more emphasis to its neighbouring countries besides China," said a Western diplomat, adding that with the settlement of the Cambodian problem, Vietnam could now boost cooperation with both China and ASEAN.

Vietnamese Communist Party General Secretary Do Muoi is scheduled to visit Beijing for five days beginning Nov 4, acording to the diplomatic source.

Do Muoi's visit will mark the completion of Sino-Vietnamese normalization, which began in earnest last year.

Kiet's ASEAN trip comes as a surprise to some Thai officials, who thought the Vietnamese prime minister was originally planning a visit solely to Bangkok to hold a summit with Prime Minister Anan Panyarachun. One official commented it was highly likely that Vietnam changed its mind after Thai military leaders said Vietnam was still a threat to Thailand.

He said Vietnam and Indonesia have always maintained good relations, so it is natural that Hanoi would choose Jakarta as the first stop. "Thailand is not special to Vietnam, just another ASEAN country," the Thai official said.

Indonesian President Suharto went to Hanoi late last year, becoming the first ASEAN head of state to pay an official visit to Vietnam. "Vietnam is grateful to Indonesia for its efforts on Cambodia as well as its suport for Hanoi in the past," said an ASEAN diplomat, referring to assistance Jakarta provided over the past years such as fertilizer and management training.

Another official said the stop in Singapore was unexpected given that nation's strong stand against Vietnam's occupation of Cambodia since 1979. The official said Kiet's visit to Singapore was a good barometer of how the island republic separates its economic and political policies. Singapore is Vietnam's second largest trading partner after Japan.

During Kiet's visit to Thailand, the Vietnamese prime minister and his Thai counterpart will discuss bilateral ties and ways to bring Vietnam into the regional fold.

Last month, the two countries agreed to set up a joint commission to promote economic cooperation.

CPV Statutes Adopted by National Congress

BK2109032791 Hanoi TAP CHI CONG SAN in Vietnamese Jul 91, pp 40-49

[Statutes of the Communist Party of Vietnam Adopted by the Seventh National Congress of Party Delegates on 27 June 1991]

[Text] The Communist Party of Vietnam [CPV] founded and trained by Comrade Ho Chi Minh has led the people to successfuly stage the August Revolution, found the Democratic Republic of Vietnam, victoriously conduct the two resistance struggles against aggression, wipe out the colonialist and feudalist regime, achieve national liberation, unify the country, firmly defend the country's independence and shift the entire country to the stage of socialist revolution.

The party is the vanguard unit of the Vietnamese working class and the faithful delegate of the interests of the working class, the laboring people and the nation as a whole.

The party's goal is to build a prosperous and powerful Vietnam along the socialist line and and to finally achieve the communist ideal.

The party takes Marxism-Leninism and Ho Chi Minh thought as the ideological basis and the compass for its action, receives the intellectual quintessence of the nation and mankind, and firmly grasps the objective laws and realities in the country to set forth the political platform and the correct revolutionary lines conforming to the people's demands and aspirations.

The party closely combines genuine patriotism with the internationalism of the working class and supports the world people's struggle for peace, national independence, democracy and social progress.

The party is closely attached to the people, respects the people's right to mastery and accepts the people's supervision, and unites and leads the people to stage the revolution. The party leads the political system while being at the same time part of the system. The party respects the role of the state, the Vietnam Fatherland Front and all mass organizations, and operates within the framework of the Constitution and law.

The party is a unified bloc of will and action, takes democratic centralism as the fundamental organizational principle, implements collective leadership and individual responsibility, conducts self-criticism and criticism, accomplishes adequate democracy and strict discipline in party life activities, and firmly maintains solidarity and unity within the party on the strength of the political platform and the party statutes.

The CPV must be built firm and strong politically, ideologically and organizationally. It must renovate and reorganize itself regularly in order to victoriously fulfill its task of leading the Vietnamese revolution and to positively contribute to the revolutionary cause of the world people.

CHAPTER I

Party members

Article 1—All Vietnamese citizens 18 years or more of age may be considered for recruitment into the party, if they recognize and voluntarily struggle to implement the party's political line and statutes, operate in a basic party organization, observe the party discipline, readily accept all assigned duties, are exemplary in labor, combat and study; have a healthy life-style, do not exploit other people, possess knowledge and ability to perform the party members' duties maintain a close relationship with the masses, enjoy the people's confidence and practically prove to be outstanding persons.

Article 2—Party members' duties are to:

1. Be absolutely loyal to the party's revolutionary ideal, scrupulously implement the party's line and domestic and foreign policies, the state law and assigned tasks.

2. Respect the people's mastery, care for the people's material and moral lives, actively participate in mass motivation and social welfare tasks in their home and office areas, conduct propaganda to mobilize families and the people to implement lines, policies and laws.

3. Constantly study and forge to raise the level of their political and educational knowledge, work ability and revolutionary ethics; struggle against all negative manifestations.

4. Join in building and defending the party's lines, policies and organizations; observe discipline, preserve solidarity and unity in the party; regularly conduct self-criticism and criticism, be faithful to the party; propagate and develop the party's influence, recruit new party members, participate in party life activities and pay party membership fees as prescribed.

Article 3—Party members have the right to:

1. Be informed of and discuss problems concerning party lines, policies, and tasks as well as vote on party affairs.

2. Elect members and run for or be appointed to the leading organs at various echelons in accordance with the regulations of the party Central Committee.

3. Criticize and question the work of party organizations and party members at various echelons within the scope of their organizations as well as make reports, submit their views, or file complaints to leading party organs and ask for answers.

4. Express their opinions when a party organization evaluates their work performance or takes disciplinary measures against them.

Probationary party members are entitled to the aforementioned rights, except for the right to vote, elect members, and run for leading party organs.

Article 4—The procedures for applying for party membership are as follows:

a. Persons applying for party membership must:
- Personally request and fill out an application for party membership.
- Submit their curricula vitae to the party chapters.
- Have two party members as guarantors.

Wherever there are Ho Chi Minh Communist Youth Union organizations, youths must already be union members and must be guaranteed by a basic union executive committee and a party member in order to be admitted to the party.

b. Guarantors must have at least two years of party membership and must have worked together for at least one year with the applicants. They must report to the party chapters on the background, quality, and capabilities of the applicants and must be responsible for the contents of their reports. If there is any point that is unclear, they must bring it to the attention of party chapters and higher echelons for investigation and consideration.

c. It is necessary for party chapters and party chapter echelons to pay attention to the following points:

- Before a party chapter considers and decides on the admission of party members, party chapter committees must study to see if the applicants meet the criteria for admission to the party and must solicit the masses' opinions about would-be party members. If an applicant has a problem concerning his/her political background, his/her case will be resolved according to the regulations of the party Central Committee.

- The party chapter conference must consider and decide on the admission of party members on a case-by-case basis, and the approval for admission must be endorsed by at least two-thirds of regular party chapter members.

- Party chapter resolutions on admitting party members must have the approval of basic party committees (where there is one) and the ratification of the party committee echelons directly superior to the basic organizations or to those basic party committees empowered to ratify the admission.

d. Where there is no basic party organization or party members or where party members operate but do not meet the criteria for making recommendations for the admission of party members, a higher-level leading organ of the party will appoint party members to handle background checks and to recommend candidates for admission to the party.

Article 5—The probationary period of a party member shall be as follows:

The probationary period is 12 months and shall be computed from the day the party chapter declares the admission of a party member. During the probationary period, the party chapter must continue to educate and train probationary party members and must also assign regular party members to help probationary party members make progress.

Upon completion of the probationary period, the party chapter shall evaluate probationary party members on a case-by-case basis for confirmation as regular party members and shall decide by vote as in the case of admission. If a probationary party member is considered not qualified for confirmation as a regular party member, his/her name shall be removed from the list of probationary party members and the decision shall be reported to the party committee echelons that have ratified the admission of party members for reviewing.

The party chapter resolution on the confirmation of a probationary party member as a regular party member must be ratified by a party committee echelon empowered to ratify the admission of party members as specified under point c of Article 4.

The length of party membership of a party member shall be computed from the day he/she is confirmed as a regular party member by the party chapter.

Article 6—The issuance and management of party membership cards, the handling of party members' records, and the procedures for transferring party members to another place shall be regulated by the party Central Committee.

Article 7—Application for exemption from party tasks and other party activities for reasons of old age or poor health shall be considered and decided by party chapters.

Article 8—The party chapter shall remove from the party member list the name of any party member who skips party activities, who fails to pay the annual party membership fees for three months without justifiable reasons, who loses the will to make efforts for self-improvement, or who fails to fulfill his/her duties or mend his/her way in spite of educational measures and deadlines for self-improvement set by the party chapter.

If a party member asks to withdraw from the party, the party chapter shall decide to let him/her do so and shall report its decision to the party committee echelon empowered to ratify the admission of party members for reviewing.

[Text] CHAPTER II

The Organizational Principle and Structure of the Party.

ARTICLE 9. The CPV is organized according to the principle of democratic centralism. The basic points of this principle are:

1. The party's leading organs at all levels are set up through elections.

2. The party's leading organs at all levels implement the principle of collective leadership and individual responsibility.

3. The executive committees of party organizations at all levels must report and be responsible for their activities to the congresses of their echelons and to the executive committees of higher and lower echelons, and must periodically inform subordinate party organizations of their activities and scrupulously conduct self-criticism and criticism.

4. Party resolutions must be scrupulously implemented. The minority must submit itself to the majority, lower echelons must obey higher echelons, individual party members must sumbit themselves to the party organization, and party organizations nationwide must submit themselves to the national congress of party delegates and the party central committee.

5. Resolutions of the party's leading organs must be approved through majority votes in these organs. Prior to voting, party members are allowed to fully express their views. Party members holding minority views have the right to stick to their opinion and report it to higher party echelons up to the national congress of party delegates. However, they must implement resolutions scrupulously and may not propagate their opinion at variance with the party resolutions. Party committee echelons are authorized to study these views that can be accepted if they prove to be correct by realities. Party organizations may not discriminate against party members holding minority views.

6. Lower level party organizations may decide on those issues of their jurisdiction which do not conflict with the party lines and policies, the state law and higher echelon resolutions.

ARTICLE 10. The party's organizational system is basically set up according to the state administrative system. Party organizations in the Vietnamese People's Army are set up according to the stipulations in Article 29. Branches of particular characteristics can set up their party organizations vertically according to decisions of the party Central Committee.

Basic party organizations are set up according to administrative, economic, or work units, and placed under the leadership of party committees of districts, precincts, townships and cities in provinces.

If need be, the Party Central Committee may decide the establisment of party organizations (composed of some basic party organizations of particular characteristics) directly subordinate to the Party Central Committee. In provinces and cities, if so approved by the Party Central Committee, similar party organizations directly subordinate to provincial and city party committees may also be established. Those party committee echelons who decide the establishment of party organizations, will stipulate the organization, mission and authority of these party organizations and the latters' relations with the party committees of localities where units are stationed according to the guidance of the Party Central Committee.

The establishment of disbandment of a party organization is decided by the next higher party committee echelon.

ARTICLE 11. The highest leading organ of a party organization at each level is the congress of party delegates. At grass-roots level, it is either the congress of party delegates or the congress of party members.

Party committee echelons will convene congresses as scheduled, notify party organizations of the time and agenda of congresses, and raise the issues to be discussed at congresses so that subordinates can contribute their views.

A special congress can be convened when the executive committees of party organizations deem it necessary or when more than half of subordinate party committee echelons so request and get the approval of the next higher party committee echelons.

Party committee echelons who convene the congresses will decide on the number of delegates and make distributions to subordinate party organizations depending on the numbers of party members and subordinate party organizations, and the importance of each party organization as directed by the Party Central Committee.

Delegates to congresses include members of the executive committees that convene the congresses and those delegates elected by lower level congresses of party delegates or members.

The nomination of delegates will be made only by those party organizations that operate under special conditions and are unable to hold congresses to elect delegates as prescribed by the Party Central Committee.

Delegates to congresses must be reviewed by the congresses as regards their qualifications and then be voted for acceptance. Party committee echelons who convene the congresses may not reject the qualifications of those delegates elected by lower-level party organization congresses except in cases when the delegates are suspended from their party activities, prosecuted before a court of law, or temporarily detained. If delegates are elected at variance with the prescribed principles and procedures, they must be reelected.

Congresses or conferences of party delegates or members in basic party organizations are valid only when two thirds of the convened party delegates or members have attended to represent at least two thirds of subordinate party organizations.

Congresses or conferences will elect presidiums or chairmen to operationally control the work of congresses or conferences.

Between two congresses of delegates, the executive committees of party organizations (also known as party committee echelons) elected by a congress of delegates at the related level shall be the leading organs.

The number of members of the party Central Committee shall be determined by the national congress of delegates whereas the numbers of members of the executive committees of party organizations at other levels shall be determined by a congress of delegates or a party organization congress at the related level in accordance with the guidelines of the party Central Committee.

Each congress of delegates must see to it that renovation and successiveness are ensured in the executive committees of party organizations at all levels. Executive committee members must meet the criteria for quality and competence, and most importantly, must possess a sound political background and a renovative spirit. Besides being tested by real life situations, they must possess adequate knowledge and be capable of participating in collective leadership, of fulfilling all work assignments, and of rallying cadres for project implementation. In addition, they must gain the confidence of party members and the masses.

The presidium of a congress must organize and guide the election. Voters have the right to make remarks on or raise questions concerning candidates and nominees. The namelist of candidates and nominees must be discussed and approved by a congress. The election must be carried out through secret ballot. A successful candidate must win half of the total number of votes by delegates or party members convened.

Article 13. The term of an executive committee of the party organizations at all levels is the period between two congresses of delegates at the related level.

The executive committees and executive committee secretariats at lower echelons must be approved by the next higher party committee echelon.

In case of real need, the executive committee at the higher echelon may assign or appoint a number of members of the executive committee at the lower echelon. However, this number of members must not exceed one-third of the members elected by the congress at the lower echelon.

Higher party committee echelons must solicit the opinions of lower party committee echelons before assigning or appointing the aforementioned executive committee members. A congress of delegates may elect additional members of the executive committees but this number of additional members must not exceed 10 percent of the number of members already elected by a party organization congress.

If newly established party organizations cannot convene congresses immediately, the executive committees at the next-higher echelons shall appoint provisional executive committees for these party organizations and shall see to it that within one year at the latest, congresses must be convened to elect official executive committees.

Article 14. Executive committees at all levels shall set up organs (committees or sub-committees) to assist them. The compositon, tasks, power, and operating procedures of these organs shall be determined by the party Central Committee. If necessary, party committee echelons may set up organs to assist them but once these tasks are completed, such organs must be dissolved.

Article 15. Between two congresses of delegates, the executive committees of party organizations at all levels (except for the basic level) shall convene the conference of delegates.

The composition of a conference of delegates consists of members of the executive committees of the echelon that convenes the conference and of delegates appointed by lower echelons.

A conference of delegates shall discuss the reports submitted by the executive committees, decide on the policies and measures for further implementing the resolutions adopted by the congresses or for amending these resolutions to make them consistent with the new situation based on the party's political platform and lines as well as on other resolutions of higher echelons, and elect additional members of the executive committees as specified under Article 13.

The resolution of a conference of delegates must be implemented by the party committee echelon which convenes the conference as well as by the party organizations at lower echelons and by all party members.

The additional members elected to the executive committees must be approved by the party committee at the next-higher echelon.

CHAPTER III

Party's Central Leading Organs

Article 16. The national congress of party delegates is normally convened every five years by the party Central Committee. In special cases, it can be convened sooner or later but no later than six years and all party members must be notified of the reason for convening the congress sooner or later.

Article 17. The duties of the national congress of party delegates are to consider and approve the party Central Committee's report, decide the domestic and foreign policies and the party's basic tasks, decide or amend the political platform and the party statutes, and elect the party Central Committee.

Article 18. The duties of the party Central Committee are to lead the party operations between the two national congresses of party delegates, organize and implement resolutions of the national congresses and conferences of party delegates, decide important issues concerning the domestic and foreign affairs, the mass motivation and party building tasks, the relations with communist and workers parties and other progressive political parties and organizations in the world; decide and implement policies on cadres and cadre management, establish party committees and groups, party cadre affairs departments and provide guidance for these organs to operate; stipulate principles for collecting party membership fees; and manage the party's finance.

The party Central Committee meets regularly once every six months and will convene a special meeting whenever so required. Every six months, it will keep lower committees informed of the general situation and work achieved, and whenever necessary, raise questions for lower committees to contribute their views.

Article 19. The party Central Committee elects its Political Bureau and its general secretary from among the Political Bureau members; establishes its secretariat composed of some members of the Political Bureau and some secretaries elected by the party Central Committee; and elects its central control committee. The numbers of members of the Political Bureau, the secretariat and the central control committee are decided by the party Central Committee.

The Political Bureau leads the party's operations between the two plenums of the party Central Committee on the basis of resolutions of the national congresses and conferences of party delegates and the party Central Committee, and reports its work to the periodic plenum of the party Central Committee or as requested by the party Central Committee.

The secretariat leads the party's routine work, guides and controls the activities of party organizations and members in the implementation of the party resolutions and directives, provides guidance for implementing tasks concerning party development, cadres, and mass motivation; and organizes and guides the preparations of various issues to be discussed and decided at the Political Bureau.

CHAPTER IV

Party's Local Leading Organs

Article 20. The congress of delegates of party organizations of provinces, cities and special zones directly subordinate to the central government, and of precincts, districts, townships and cities of provincial government shall be convened once every five years by the party committee of the same level. When a special situation arises and when the next higher party committee echelon approves, the congress may be convened sooner or later but no later than six years, and all party members must be notified of the reason for convening the congress sooner orlater.

Article 21. The duties of the congress of party organization delegates are to debate the issues raised by higher party committee echelons, consider and approve the executive committee's report, decide the duties, policies and important tasks concerning localities, and elect an executive committee and delegates to a higher level party congress.

Article 22 - The executive committee of the party organization of a province or of a municipality or special zone directly subordinate to the central government (abbreviated as provincial party committee, municipal party committee, and special zone party committee) and the executive committee of the party organization of district, precinct, city, or municipality directly subordinate to a province (abbreviated as district party committee, precinct party committee, city party committee, or municipal party committee) are duty-bound to lead all of the party organization's activities in between two congresses of delegates; to implement party lines and policies, the resolutions of the congress of delegates or conference of delegates, and all the resolutions and directives of the higher echelons; to participate in formulating and concretizing the party's lines and policies; to decide on issues concerning the party organization's important viewpoints and tasks; to set up party organs and groups and direct these organs and groups in carrying out their activities; and to manage cadres and the party organization's financial affairs.

A plenum of the party committee of a province, municipality, special zone, district, or precinct shall be regularly convened once every three months by the standing committee. If need be, it can meet in extraordinary sessions. The executive committees of party organizations at various levels must report the situation of their activities to the higher echelons according to the time limits set by these echelons. Once every three months they must inform party organizations at lower levels of the general situation and the work done. When deemed necessary, they must raise essential issues for the lower echelons to contribute their views.

Article 23 - A plenum of the party committee of a province, municipality, special zone, district, or precinct shall elect a standing committee as well as a secretary, and deputy secretaries from among members of the standing committee. It shall also elect a control committee.

The number of members of a standing committee and the number of members of the control committee are decided by a plenum of the executive committee in accordance with the general regulations of the Central Committee.

The standing committee must lead all the activities of a party organization in the period between two executive committee plenums on the basis of the resolutions of the congress of delegates, conference of delegates, or executive committee plenum, and of all the resolutions and directives of the higher echelons. It must also report the general situation and its past work to the executive committee at the regular meetings or request of the executive committee and prepare issues for discussion and decision at an executive committee plenum.

Chapter V

Basic Organizations of the Party

Article 24 - The basic party chapters and basic party organizations (generally known as basic organizations of the party) form the foundation of the party. Each basic unit (village, ward, town, organ, cooperative, enterprise, corporation, school, hospital, scientific research institute, and each of the basic units in the armed forces and other basic units) with three or more regular party members can establish a party chapter. If a basic unit has less than three regular party members, a higher party committee echelon can introduce these party members directly to a nearby basic party organization to carry out party activities.

A basic unit or a component of a basic unit (a workshop of an enterprise, a hamlet in a village, a department of a school, and so forth) with 30 or more party members can establish several party chapters to be directly subordinate to a basic party committee.

A basic party committee must inform and seek approval from the next higher party committee echelon in case it wants to:

—Organize several party chapters in one basic unit or in a component of a basic unit having less than 30 party members.
—Establish only one party chapter in a basic unit or in a component of a basic unit having more than 50 party members.
—Establish a component party organization in a basic party organization.

The party organizations in a village, ward, and town include all party chapters in all hamlets, streets, and socioeconomic units of the village, ward, and town. The party organization of a component operating far from where the parent unit is stationed can be made directly subordinate to the party committee echelon of the locality where that component is operating.

Article 25 - Congresses of delegates or congresses of party members of basic party organizations that have established basic party committees, are convened twice every five years. These congresses shall discuss various questions raised by higher echelons; review and ratify reports by party committees; decide on tasks and policies; elect party committees; and appoint delegates to attend congresses at higher echelons.

Basic party committees having nine members or more are entitled to elect a standing committee, as well as a secretary and deputy secretaries from among members of the standing committee.

Article 26—The tasks of basic party organizations are as follows:

1. Formulate objectives and tasks of party organizations on the basis of firmly grasping the party lines and policies and the situation of each party organization; ensure that party resolutions and state laws are seriously implemented.

2. Lead the masses to fulfill tasks of their units, care for their material and spiritual lives, and establish close relations with the masses; participate in building the administration, the management mechanism, and the militia and self-defense forces, and participate in maintaining security for the people and mass organizations.

3. Building party organizations and the contingent of cadres at units: Strive to carry out the political and ideological education task, improve the quality and revolutionary ethics of party members, enhance their background and work capability; propagate and promote the party influence among the masses and recruit new party members; strengthen the quality of party activities, conduct criticism and self-criticism; ensure that party statutes are implemented among party members, discipline is observed, and unity within the party is strengthened; build and manage the contingent of cadres and party members; and collect party fees.

4. Participate and lead the masses to participate in formulating the party lines and policies, the state law; firmly grasp the masses' ideas and aspirations to promptly resolve issues and correctly file reports on situations and activities of party organizations to the higher echelons.

Party committees of basic party organizations having 100 party members or more each, with the approval of their next higher echelon, are entitled to the same rights as their next higher echelon concerning the ratification of admission of party members and the enforcement of discipline against and expulsion of party members.

Article 27—Party chapters directly link the relationship between the party and the masses. Party chapters are established at places where party members work or live. Party chapters are dutybound to educate, forge, manage, assign work to, and control tasks of party members; recruit new party members and enforce discipline against them, and lead the implementation of tasks in the areas of their responsibility.

Party chapter congresses are organized by chapter committees once a year. The congresses discuss issues raised by the higher echelons and by chapter committees' reports, decide on tasks of party chapters, elect chapter committees and delegates to the higher echelon party chapter congresses.

Party chapters comprised of less than nine regular party members each shall elect a secretary and, if necessary, a deputy secretary. Party chapters comprised of more than nine regular party members each shall elect a party chapter executive committee (abbreviated as a chapter committee); elect a secretary and a deputy secretary from among the chapter committee members.

Secretaries of party chapters and chapter committees must be ratified by basic party committees; if they are chapter committees of basic party chapters they must be ratified by the party committee of the next higher echelon of basic party organization.

Chapter committees hold their regular meetings once a month.

Party chapters hold regular meetings once a month to debate, firmly grasp, and discuss measures to implement resolutions and directives of the higher echelons; review and set tasks for party chapters; and assign work to party members.

Party chapters with many party members may be divided into several party cells, a party cell will elect its head; and the head of the party cell works under the guidance of a chapter committee.

CHAPTER VI

Party organizations in the Vietnam People's Army and the Vietnam People's Public Security Force.

Article 28—The Vietnam People's Army and the Vietnam People's Public Security Force are placed under the absolute, direct leadership of the party in all respects, according to a regulation established by the party Central Committee.

The party leads and builds the Vietnam People's Army and the Vietnam People's Public Security Force to make them firm and strong politically, ideologically, and organizationally, and are absolutely loyal to the fatherland, wholeheartedly serve the people; act as a core force, together with people throughout the country, to firmly defend the socialist Vietnamese fatherland; maintain political security and social order and safety; and participate in national construction.

Organs of party committees, in the framework of their functions, help party committees supervise and control the party building task and mass mobilization work in the Vietnam People's Army and the Vietnam People's Public Security Force.

Article 29. Party organizations in the VPA are organized vertically and operate according to the party's platform and statutes as well as other resolutions of the party Central Committee.

The Military Commission of the party Central Committee is appointed by the party Central Committee and comprises a number of party Central Committee members working in and outside the army. The Military Commission of the party Central Committee is placed under the leadership of the party Central Committee, with the Political Bureau and Secretariat providing permanent leadership. The commission is responsible for helping the party Central Committee with issues concerning national defense and military lines and tasks, as well as for providing leadership over the work of the entire army in all fields.

The executive committee of party organizations at all levels is elected by the party organization congress for each level and is responsible for providing comprehensive leadership over subordinate units. In special cases, it is appointed by the higher party committee echelon as specified by the party Central Committee.

The Political General Department is in charge of party-related work and political tasks to be carried out in the entire army. It operates under the leadership of the Secretariat and the permanent leadership of the Military Commission of the party Central Committee. At each level, there are political organs and political cadres in charge of the party's ideological and organizational tasks, under the direct leadership of the party committee at that level and under the guidance of a higher political organ.

Article 30. Party organizations at local military organs and local army units are placed under the leadership of local party committee echelons in all fields. At the same time, they are responsible for implementing higher military commissions' resolutions on all-people national defense and local military tasks. Higher political organs are to coordinate with local party committee echelons in providing guidance over the implementation of party-building and mass mobilization work to be carried out by the local armed forces.

Article 31. Party organizations in the Vietnam People's Public Security Force are determined by the party Central Committee.

Chapter VII

Control Committees at All Levels

Article 32. A control committee at all levels shall be elected by the executive committee of the party organization for each level and shall comprise both comrade members and nonmembers of the party committee echelons.

Both the selection and transfer of chairpersons of lower control committees must be approved by the next higher party committee echelon.

Control committees at all levels operate according to the principle of teamwork and under the leadership of the party committee echelon for that level. They are responsible for submitting reports to the regular meetings of the party committee echelons and operate according to the rights and duties specified by the party statutes.

Article 33. The duties of control committees at all levels are to:

1. Control party members (including party committee echelons of the same levels) and lower party organizations in compliance with the principles for organizing and conducting party life activities, preserve the quality and revolutionary ethics of party members, examine and conclude cases of disciplinary violation, and refer to their authority prescribed in Article 36 to decide on or recommend disciplinary action to party committees.

2. Control the observance of work regulations by lower party committees.

3. Control the enforcement of discipline by lower party organizations.

4. Control the financial status of lower party committees and the financial agency of party committees at the same levels.

5. Handle letters of denunciation regarding cases specified in Point 1 of Article 33 related to party members and lower party organizations.

6. Settle complaints about the enforcement of intramural party discipline as authorized in Article 36.

Article 34. Control committees at all levels have the right to request lower level party organizations and party members to report problems related to control tasks.

Higher control committees may control the operations of lower level ones.

CHAPTER VIII

Enforcement of Party Discipline

Article 35. The enforcement of party discipline must be just, wise, accurate, and timely, and be aimed at firmly maintaining unity of will and action, intensifying party militancy and educating party members.

The following disciplinary measures will be applied depending on the extent and nature of mistakes committed by party members and organizations:

Reprimands, warnings, demotions, and expulsions will be applied to party members.

Reprimands, warnings and disbandments will be applied to party organizations.

Article 36. Authority to enforce discipline:

A. Against party members:

1. Disciplining party members must be initially examined by party chapters. Party chapters have the right to decide on reprimanding and warning party members. The expulsion of a party member must be voted on at a conference of the party chapter with the approval of two thirds of its official members and must be concurred in by the basic party committee (if any). The control committee at the next higher level of a basic party organization or basic party committee is vested with approving authority.

2. If a party member who is a cadre administered by higher party committees but is not a member of a party committee at any level violates discipline in his performance of party chapter duties or in his lifestyle, the party chapter involved may discipline him as specified in point 1 of Article 36 and report his case to the control committee at the level where he is administered, for purposes of review.

3. If a party member who is a cadre administered by a higher party committee but is not a member of a party committee at the same or immediate lower levels violates discipline in the performance of his assigned duties, the party chapter and basic party committee may recommend various disciplinary measures. The control committee at the level where he is administered will decide on such disciplinary measures as reprimands and warnings. The party committee at the level where he is administered will decide on such disciplinary measures as demotion and expulsion.

4. If a party member who is a member of a party committee at any level (including party central committee):

—Violates discipline in his performance of party chapter duties or in his lifestyle, the party chapter will decide on such measures as reprimands and warnings. Sterner disciplinary action, if need be, will be recommended by the party chapter to higher party committees.

—Violates discipline in his performance of duties assigned by a party committee, disciplinary action will be taken against him by the party committee that assigns the duties to him. Particularly, his expulsion from the party or dismissal from his position in the party committee must be decided on by the party committee itself with at least two thirds of its regular members and with the approval of the next higher party committee, and his case must be reported at the nearest upcoming party organization congress. If a party member is a member of several party committees, the party committee echelon who decides on the disciplinary measure must report the case for approval to the highest party committee of which the party member is a member.

All disciplinary measures such as reprimands and warnings taken by a party chapter or lower party committee must be reported to the next higher party committee and the highest party committee of which a party member is a member for purposes of review.

Disciplining a party chapter member will be decided on by the party chapter itself. Particularly, the demotion of a party chapter member must be approved by the next higher party committee echelon.

5. If a party member violates discipline and has been warned by a higher echelon but lower party organizations do not take any disciplinary action or take inappropriate actions against him, the next higher authorized party committee or control committee may decide or modify disciplinary action against the party member.

6. When settling complaints concerning disciplinary action taken by lower party organizations against party members (including members of lower party committees) and when controlling the enforcement of discipline by lower party organizations, the higher level control committee may decide, approve, modify, or cancel the disciplinary measures taken by lower party organizations, except the expulsion from party membership and the dismissal from positions in the immediately lower party organization's executive committee.

7. Disciplinary action taken by higher authorities against a party committee echelon and cadre placed under the managerial control of a higher level must be reported to the party chapter and basic party

organization where the party member is operating.

B. Against party organizations:

Reprimanding and warning a party organization must be decided by the next higher party committee.

Disbanding a party organization will be decided by the next higher party committee with the endorsement of at least two thirds of the committee's regular members and the approval of the next-to-immediate higher level party committee.

The decision must be reported to the party Central Committee and the central control committee.

Party chapters and organizations or party committees will be disbanded only in the following three cases of violation, with the endorsement of at least two thirds of regular party members (as regards party chapters and organizations) or at least two thirds of members of the party committee (as regards party committees): if the party member's mistake is so serious to the extent of being expelled; if collectives in the organization have consciously acted against the party lines and policies; and if there is enough evidence that the organization is politically unreliable.

Members of disbanded party chapters and organizations who have no shortcomings or have some shortcomings but not serious ones to the extent of facing expulsion, will be transferred by the next higher party committee echelon to a newly established or other party chapter.

Article 37. Before deciding on a disciplinary action, party organizations must listen to the disciplined party member or a representative of the disciplined party organization present his views.

Within three months after a disciplinary decision has been made and announced, if the disciplined party member or organization does not agree, he or it may request the organization that took that decision to reconsider, and he or it may lodge a complaint to a higher party committee or control committee up to the party Central Committee.

Upon receiving a complaint about disciplinary action, the party committee or the control committee involved must acknowledge receipt to the complainant and must examine the case within a month. A control committee must report its work in settling complaints once every three months to the next higher control committee. Higher party committees and control committees must regularly control the settlement of complaints by lower levels.

Article 38. While awaiting the approval of an authorized party committee or control committee to a decision to expel a party member or to disband a party organization, the party member may continue his party life activities and the party organization may continue its operation. The suspension of party life activities of a party member or a member of a party committee, and the operation of a party organization is applied only in special cases and must be approved by an authorized party committee or control committee as specified by the party Central Committee.

A party member inflicted with the punishment of undergoing reeducation without detention or heavier punishments must be expelled from the party.

Article 39. From six months to one year after a party member has been reprimanded, warned, or dismissed, the party chapter must listen to and examine his report to see whether he has actually corrected his shortcomings. Then, the party chapter will recognize and report his remedial action to a higher party committee or control committee. Whichever echelon decided the disciplinary action, will approve and recognize the remedial action taken by the disciplined party member.

CHAPTER IX

The Party Vis-a-Vis State and Mass Organizations

Article 40. The party leads the state and mass organizations through its platform, strategy, guidelines, policies, and positions; by its ideological tasks, organizations, and cadres, and by its supervision and control.

The party recommends qualified cadres for state agencies and mass organizations to select and employ.

Party organizations and members working in state agencies and mass organizations must scrupulously comply with the resolutions and directives of party committees; respect the functions of these organizations; support the initiatives of the masses; exemplarily implement citizens' duties and assigned tasks; and actively contribute to building state and mass organizations.

Article 41. In the elected leading agencies of the state and mass organizations, party committees of the same level will establish party groups composed of some party members to work in those organizations. Wherever such party groups are not established, party members will be appointed by the party committees involved to assume the tasks of a party group in those organizations.

A party group has a secretary and if needed, a deputy secretary appointed by the party committee at the same level. The party group must subject itself to the leadership of the party committee, work collectively, and be responsible to the party committee.

The duties of a party group are to mobilize and persuade its members in leading state agencies and mass organizations to implement party lines and policies; to intensify party influence and close relationships between party members and other people; and to study and recommend the orientations, tasks, organizations, and cadres of those organizations to the party committees.

If need be, party groups can convene a meeting of party members in those organizations to discuss the party committees' guidelines and measures to implement these guidelines.

CHAPTER X

The Party Vis-a-Vis the Ho Chi Minh Communist Youth Union.

Article 42. The Ho Chi Minh Communist Youth Union is a reliable reserve unit that regularly supplements young forces to the party, carries on the glorious revolutionary cause of the party and President Ho Chi Minh, serves as a core force in the youth movement, and is a socialist school and a representative of the youths' interests.

The executive committees of party organizations at all levels will directly lead the youth unions at the same levels.

Article 43. Party members who are still within the age groups of the youth union must perform his activities and work in the youth union organizations and actively contribute to building strong and firm youth unions.

CHAPTER XI

Finances of the Party

Article 44. The finances of the party consist of party dues paid by its members, income from production factories and business of the party, and other revenues.

Article 45. The party Central Committee will stipulate unified principles and systems for revenues and expenses, and the management of party's finances; dues paid by party members; and systems for collecting, paying, and using party dues.

Party committees at all levels will hold an annual meeting to hear reports on and decide the financial tasks of their levels.

CHAPTER XII

Implementation of the Party Statutes

Article 46. All party members and organizations must scrupulously implement the party statutes and promptly struggle against all violations of the statutes.

Article 47. Only the national congress of party delegates is empowered to revise these statutes.

Australia

South African Foreign Minister Arrives for Visit

BK0710071891 Melbourne Radio Australia in English 0500 GMT 7 Oct 91

[Text] South African Foreign Minister Pik Botha says he is not in Australia to discuss sanctions imposed in opposition to apartheid rather he says he wants to point out the difficulties facing the entire African continent. He said it was of great importance that the industrialized world understood the economic dilemma faced by Africa in general and Southern Africa in particular.

Speaking soon after his arrival in Sydney airport, Mr. Botha said he also would brief Australian leaders on the political and constitutional developments in his country.

Mr. Botha is the first South African foreign minister to visit Australia.

Antiapartheid Protest Held

BK0710015891 Hong Kong AFP in English 0124 GMT 7 Oct 91

[Text] Sydney, Oct 7 (AFP)—About 50 anti-apartheid demonstrators waited at Sydney Airport to greet South African Foreign Minister Pik Botha as he arrived Monday for the first official visit by a South African minister in recent years.

Botha told an airport press conference he was not in Australia to plead for a lifting of sanctions but to ask the industrialised world to view South Africa with compassion and understanding.

He was due later in the day to meet Foreign Minister Gareth Evans and Prime Minister Bob Hawke in Canberra.

However, Evans said Friday there would be no "big announceable outcomes" to the visit which was intended only to maintain the dialogue started with his visit to South Africa in June.

The demonstration, organised by a local union, was too small to trouble anyone including Botha, who was escorted by a heavy contingent of security guards as he walked through the airport.

Evans Sees No Difficulty With Rabuka's Visit

BK0410070291 Melbourne Radio Australia in English 0500 GMT 4 Oct 91

[Text] Australia's foreign minister says he sees no difficulty with a proposed visit to Australia next month by Fiji's deputy prime minister and former coup leader Major General Sitiveni Rabuka. The last time Gen. Rabuka wanted to visit Australia in 1988, he was not granted a visa by the Australian Government. But Senator Gareth Evans says Gen. Rabuka's role in Fiji has changed considerably since then.

[Begin Evans recording] The situation has changed. He is no longer leading the military. He is a civilian. He is deputy prime minister. We have indicated that we want to get our relationship with Fiji back on a slightly more relaxed and even keel as it has been in the past, but not because we feel any less strongly about the constitutional troubles the country has had. But we do believe that probably the better way now, given the realities of the situation on the ground, is to try to get into a relationship of constructive dialogue. I have not seen any specific proposals for Mr. Rabuka visiting Australia or any possible talks that might be associated with that now, but we will certainly look at any such proposal with a quite open mind. [end recording]

New Zealand

Pacific News Association Annual Conference Opens

BK0610083091 Melbourne Radio Australia in English 0800 GMT 6 Oct 91

[Text] Pacific media representatives meeting in New Zealand have been told a society with free media is much stronger and more adaptable than one with restrictions. The New Zealand associate minister of Pacific and Island Affairs, Roger McClay, said a free press was the measure of the society's political and cultural strength.

He was opening the annual conference of the Pacific Islands News Association, PINA, in Auckland. The keynote address is to be given by Fiji's deputy prime minister and former Armed Forces commander Major General Sitiveni Rabuka.

Papua New Guinea

Akoka Doi Appointed Deputy Prime Minister

BK0710070691 Melbourne Radio Australia in English 0500 GMT 7 Oct 91

[Text] Papua New Guinea's minister for fisheries and marine resources, Akoka Doi, has been officially appointed deputy prime minister to replace Ted Diro. The appointment was expected following the election last Friday of Mr. Doi as leader of the People's Action Party, the second largest partner in the five- member governing coalition.

Mr. Doi has been deputy prime minister before, having held the post in 1988 and again last year during Ted Diro's suspension for the duration of the enquiry into the country's timber industry. The findings of that enquiry led to the constitutional crisis that resulted in the resignation last week of the governor general Sir Serei Eri. The governor general had refused to sack Mr. Diro after he was found guilty of corruption charges by a tribunal appointed to investigate allegations of misconduct uncovered by the enquiry.